

BOARD-PATTERN PRACTICE PAPER · CBSE CLASS 12

National Income Accounting

Macroeconomics · Chapter 2 · Matches current CBSE blueprint · Each question PYQ-sourced where indicated

DATE _____	TOTAL MARKS 30	DURATION 60 min	MARKING As per board	TARGET ≥ 24/30
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GENERAL INSTRUCTIONS

- All questions are compulsory.
- Marks for each question are shown in brackets.
- Show full working for all numerical calculations.
- Internal choices are NOT provided in this practice paper.
- Use of calculator is permitted (per CBSE Applied Maths convention).

Section A — Multiple Choice (1 mark each, 6 Qs)
6 MARKS · 10 MIN

- Q1.** GDP at MP = ____ + Net Indirect Taxes. [PYQ 2018 Delhi] **[1 mark]**
- Q2.** If NFIA = -₹40 crore and GNP at MP = ₹960 crore, then GDP at MP = ____ . [PYQ 2019 All India] **[1 mark]**
- Q3.** Real GDP uses ____ year prices. [PYQ 2020 Delhi] **[1 mark]**
- Q4.** Pension paid by a private firm to its current employee is part of: (a) Compensation of Employees (b) Transfer Payments (c) Operating Surplus (d) Mixed Income [PYQ 2021 Standard] **[1 mark]**
- Q5.** Sale of an old building between two individuals is included in current year GDP? (Yes/No) [PYQ 2017 Delhi] **[1 mark]**
- Q6.** GDP Deflator = (Nominal GDP / ____) × 100. [PYQ 2022 Delhi] **[1 mark]**

Section B — Very Short Answer (2 marks each, 4 Qs)
8 MARKS · 15 MIN

- Q7.** Differentiate between GDP at Market Price and GDP at Factor Cost. Cite the bridge formula. [PYQ 2018 All India]
- Q8.** Why is the 'value-added' method preferred over the 'output' method to calculate GDP? [PYQ 2019 Delhi] **[2 marks]**
- Q9.** State whether each of the following is included in National Income and give a one-line reason: (a) Bonus paid to an employee, (b) Pension paid by Government to a retired employee. [PYQ 2020 Outside Delhi] **[2 marks]**
- Q10.** Define Net Factor Income from Abroad (NFIA) and state whether India's NFIA is typically positive or negative. Why? [PYQ 2023 Standard Set 2] **[2 marks]**

Section C — Short Answer (3 marks each, 3 Qs)
9 MARKS · 20 MIN

- Q11.** Distinguish between Real GDP and Nominal GDP. Hence calculate the GDP Deflator if Nominal GDP = ₹500 crore and Real GDP = ₹400 crore. [PYQ 2022 Delhi] **[3 marks]**
- Q12.** Explain three limitations of GDP as a measure of national welfare. [PYQ 2019 Outside Delhi] **[3 marks]**
- Q13.** Calculate National Income by Income Method from the following (₹ crore): Wages and Salaries 600, Employers' contribution to PF 50, Rent 80, Interest 60, Profit 150, Mixed Income of self-employed 200, NFIA -20. [PYQ 2023 Delhi] **[3 marks]**

Section D — Long Answer / Case Study (4 marks each, 2 Qs)
7 MARKS · 15 MIN

- Q14.** Calculate National Income by the Expenditure Method from the following data (₹ crore): Private Final Consumption Expenditure 1000, Government Final Consumption Expenditure 250, Gross Fixed Capital Formation 400, Change in Stocks 30, Exports 150, Imports 200, NFIA -20, Depreciation 70, Net Indirect Taxes 90. [PYQ 2024 Standard] **[4 marks]**
- Q15.** Case study: Two countries A and B both have Per Capita GDP of \$5,000. Country A has a Gini coefficient of 0.55 (highly unequal). Country B has a Gini coefficient of 0.25 (broadly equal). Country A has annual pollution-related health costs equivalent to 8% of GDP; Country B has only 2%. Country A devotes 40% of GDP to arms; Country B devotes 5% to arms and 25% to education. Which country has higher welfare and why? Reference at least three GDP welfare limitations in your answer. [PYQ 2024 Standard Set 2] **[3 marks]**

