KENDRIYA VIDYALAYA SANGATHAN BHOPAL REGION

ECONOMICS CLASS XII CBT JULY 2026-27

Economics CBT based question

Class :12 **Subject: Economics**

Syllabus: April/may

1. The value of all goods and services can be expressed in monetary units. " on the basis on the given statement identify the function performed by money.
   (a) Medium of exchange
   (b) Store of value
   (c) Unit of account
   (d) Means of standard of deferred payment
   Ans: Unit of account
2. The difference between narrow money and broad money is……
   (a) Coins and currency
   (b) Only currency
   (c) Saving deposits of banks
   (d) Time deposits with banks
   Ans: time deposits with banks
3. Central bank as…….., manage public debt of government.
   (a) Custodian of foreign exchange
   (b) Agent
   (c) Financial advisor
   (d) Supervisor
   Ans: Agent
4. Read the case and answer the question.
   Riya deposited ₹50,000 in her savings account. The bank used a part of this money to provide loans to other customers.
   What function of a commercial bank is highlighted here?
   (a) Currency issue
   (b) Credit creation
   (c) Tax collection
   (d) Foreign exchange management

   Ans: (b) credit Creation
5. For a closed economy (with no foreign trade), which one of the following is correct?
   (a) GDP= GNP
   (b) GDP> GNP
   (c) GDP<GNP
   (d) GDP+GNP=0
   ANS: (a) GDP=GNP

6. “Market value of your car at the time of purchase a 2025 was ₹ 5 lakh. In 2026,its market value estimated to be ₹ 3. 5 lakh. “Identify the reason for the fall in the value of the car.

   (a) Normal wear and tear

   (b) Accidental damages that the car might have suffered

   (c) Expected obsolescence

   (d) All of these

   Ans: (d) All of these

7. Sales for a firm is calculated as :
   - **(a)** Value of output + intermediate consumption
   - **(b)** Value of output -intermediate consumption
   - **(c)** Value of output – change in stock
   - **(d)** Closing stock +value of output

     Ans: (c) value of output – change in stock

8. Find domestic income when GNP at MP = ₹120000,indirect taxes =₹20000,consumption of fixed capital =₹5000,net export =₹5000 and factor income from rest of the world =₹3000.
   - **(a)** ₹ 92000
   - **(b)** ₹ 90000
   - **(c)** ₹91000
   - **(d)** ₹93000

     Ans: (a)₹ 92000

9. The value of Nominal GDP is ₹1100 and the value of real GDP is 1000. Find the value of GDP deflator.
   - **(a)** 0.9
   - **(b)** 1.1
   - **(c)** 1
   - **(d)** 0.8

     Ans: (b) 1.1

10. Which of the following is not a part of final expenditure?
    - **(a)** Consumer goods purchased by the government
    - **(b)** Consumer goods exported to rest of the world
    - **(c)** Seeds purchased by the farmers
    - **(d)** Government fixed investment expenditure

      Ans: (c) Seeds purchased by the farmers