

MODERN PUBLIC SCHOOL

Sector 37 Faridabad

Holiday Homework

XII Economics

Session - 2023-24

1. Explain the problems of double counting. how it can be avoided ?
2. Give reason whether the following is included in the estimation of national income or not :
 - a) fees paid to the CA by a firm.
 - b) purchase of a car buy a household.
 - c) old age pension given by the government.
 - d) purchase of raw material by a firm.
 - e) interest received from a friend on loans given to him for the purchase of a house.
3. Explain the significance of depreciation reserve fund.
4. Suppose in an economy there are only two firms A and B. Firm A sold goods for rupees 2000 to firm B and purchased good for rupees 1000. Firm B exported goods for rupees 2500 and had domestic sales of rupees 1500. Calculate net domestic product at market price, if consumption of fixed capital is rs 200.
5. Money has separated the act of sale and purchase explain.
6. State whether the following statements are true or false give reasons:
 - a) Money supply is a flow variable.
 - b) high powered money means currency with the public.

c) M1 includes time deposits of commercial banks.

d) Fiat money and fiduciary money means the same thing.

7. What is meant by inter - bank deposits ? why interbanks deposits do not form part of money supply?

8. Do the Project work on the topics given in the class. Project work should be written neatly on A4 size light colour sheets (one side ruled and other side plain)

NOTE :- Holiday homework to be submitted latest by 3rd July,2023.