

SYLLABUS (2025-2026)

CLASS: XII

SUBJECT: Economics

TEXTBOOKS:

- 1) Introductory Macroeconomics (NCERT)
- 2) Indian Economic Development (NCERT)
- 3) Supplementary Reading Material in Economics, CBSE

EXAMINATION	UNIT/ CHAPTER / TOPIC	SUBTOPICS	WEIGHTAGE (MARKS)
HALF YEARLY	<p>Part A: Introductory Macroeconomics</p> <p>Unit 1: National Income and Related Aggregates</p> <p>Unit 2: Money and Banking</p>	<p>Unit 1: National Income and Related Aggregates</p> <ul style="list-style-type: none"> What is Macroeconomics? Basic concepts in macroeconomics: consumption goods, capital goods, final goods, intermediate goods; stocks and flows; gross investment and depreciation. Circular flow of income (two sector model); Methods of calculating National Income - Value Added or 	20 Marks

	Unit:4 Government Budget and the Economy	<p>Product method, Expenditure method, Income method.</p> <ul style="list-style-type: none"> • Aggregates related to National Income: Gross National Product (GNP), Net National Product (NNP), Gross Domestic Product (GDP) and Net Domestic Product (NDP) - at market price, at factor cost; • Real and Nominal GDP, GDP Deflator, • GDP and Welfare 	
		<p>Unit 2: Money and Banking</p> <ul style="list-style-type: none"> • Money – meaning and functions, • Supply of money - Currency held by the public and net demand deposits held by commercial banks. Money creation by the commercial banking system. • Central bank and its functions (example of the Reserve Bank of India): Bank of issue, Govt. Bank, Banker's Bank, Control of Credit through Bank Rate, Cash Reserve Ratio (CRR), Statutory Liquidity Ratio (SLR), Repo Rate and Reverse Repo Rate, Open Market Operations, Margin requirement. 	10 Marks
		Unit:4 Government Budget and the Economy	10 Marks

		<ul style="list-style-type: none"> • Periods Government budget - meaning, objectives and components. • Classification of receipts - revenue receipts and capital receipts; • Classification of expenditure – revenue expenditure and capital expenditure. Balanced, Surplus and Deficit Budget – measures of government deficit 	
	<p>Part B :</p> <p>Indian Economic Development</p> <p>Unit 6: Development Experience (1947-90) and Economic Reforms since 1991</p> <ul style="list-style-type: none"> • Chapter:1 Indian Economy on the eve of Independence • Chapter:2 Indian Economy 1950-90 • Chapter:3 Economic Reforms in India since 1991 <p>Unit 7: Current challenges facing</p>	<p>Unit 6: Development Experience (1947-90) and Economic Reforms since 1991</p> <ul style="list-style-type: none"> • Indian Economy on the eve of Independence: A brief introduction of the state of the Indian economy on the eve of independence. • Indian Economy 1950-90: Indian economic system and common goals of Five Year Plans. Main features problems and policies of agriculture (institutional aspects and new agricultural strategy), industry (IPR 1956; SSI – role & importance) and foreign trade. • Economic Reforms in India since 1991: Features and appraisals of liberalisation, globalisation and privatisation (LPG policy); Concepts of demonetization and GST <p>Unit 7: Current challenges facing Indian Economy</p> <ul style="list-style-type: none"> • Human Capital Formation: How people become resource; Role of human capital in economic 	24 Marks

	Indian Economy <ul style="list-style-type: none"> Chapter-4 Human Capital Formation Chapter- 5 Rural Development 	development; Growth of Education Sector in India <ul style="list-style-type: none"> Rural development: Key issues - credit and marketing - role of cooperatives; agricultural diversification; alternative farming - organic farming. 	16 Marks
	Part C : Project Work		20 Marks
TOTAL MARKS	Part A + Part B + Part C		100 Marks

EXAMINATION	UNIT/ CHAPTER / TOPIC	SUBTOPICS	WEIGHTAGE (MARKS)
ANNUAL	Part A: Introductory Macroeconomics Unit 1: National Income and Related Aggregates Unit 2: Money and Banking Unit 3: Determination of Income and Employment	Unit 1: National Income and Related Aggregates <ul style="list-style-type: none"> What is Macroeconomics? Basic concepts in macroeconomics: consumption goods, capital goods, final goods, intermediate goods; stocks and flows; gross investment and depreciation. Circular flow of income (two sector model); Methods of calculating National Income - Value Added or Product method, Expenditure method, Income method. 	10 Marks

	Unit:4 Government Budget and the Economy Unit 5: Balance of Payments	<ul style="list-style-type: none"> Aggregates related to National Income: Gross National Product (GNP), Net National Product (NNP), Gross Domestic Product (GDP) and Net Domestic Product (NDP) - at market price, at factor cost; Real and Nominal GDP, GDP Deflator, GDP and Welfare 	6 Marks
		Unit 2: Money and Banking <ul style="list-style-type: none"> Money – meaning and functions, Supply of money - Currency held by the public and net demand deposits held by commercial banks. Money creation by the commercial banking system. Central bank and its functions (example of the Reserve Bank of India): Bank of issue, Govt. Bank, Banker's Bank, Control of Credit through Bank Rate, Cash Reserve Ratio (CRR), Statutory Liquidity Ratio (SLR), Repo Rate and Reverse Repo Rate, Open Market Operations, Margin requirement. 	
		Unit 3: Determination of Income and Employment <ul style="list-style-type: none"> Aggregate demand and its components. Propensity to consume and propensity to save (average and marginal). Short-run equilibrium output; investment multiplier and its mechanism. Meaning of full employment and involuntary unemployment. 	12 Marks

		<ul style="list-style-type: none"> Problems of excess demand and deficient demand; measures to correct them - changes in government spending, taxes and money supply. 	
		Unit:4 Government Budget and the Economy <ul style="list-style-type: none"> Periods Government budget - meaning, objectives and components. Classification of receipts - revenue receipts and capital receipts; Classification of expenditure – revenue expenditure and capital expenditure. Balanced, Surplus and Deficit Budget – measures of government deficit. 	
		Unit 5: Balance of Payments <ul style="list-style-type: none"> Balance of payments account - meaning and components; Balance of payments – Surplus and Deficit Foreign exchange rate - meaning of fixed and flexible rates and managed floating. Determination of exchange rate in a free market, Merits and demerits of flexible and fixed exchange rate. Managed Floating exchange rate system 	

6 Marks

6 Marks

	<p>Part B :</p> <p>Indian Economic Development</p> <p>Unit 6: Development Experience (1947-90) and Economic Reforms since 1991</p> <ul style="list-style-type: none"> • Chapter:1 Indian Economy on the eve of Independence • Chapter:2 Indian Economy 1950-90 • Chapter:3 Economic Reforms in India since 1991 <p>Unit 7: Current challenges facing Indian Economy</p> <ul style="list-style-type: none"> • Chapter-4 Human Capital Formation • Chapter- 5 Rural Development • Chapter: 6 Employment: Informalisation and other issues 	<p>Unit 6: Development Experience (1947-90) and Economic Reforms since 1991</p> <ul style="list-style-type: none"> • Indian Economy on the eve of Independence: A brief introduction of the state of the Indian economy on the eve of independence. • Indian Economy 1950-90: Indian economic system and common goals of Five Year Plans. Main features problems and policies of agriculture (institutional aspects and new agricultural strategy), industry (IPR 1956; SSI – role & importance) and foreign trade. • Economic Reforms in India since 1991: Features and appraisals of liberalisation, globalisation and privatisation (LPG policy); Concepts of demonetization and GST 	12 Marks
		<p>Unit 7: Current challenges facing Indian Economy</p> <p>Human Capital Formation: How people become resource; Role of human capital in economic development; Growth of Education Sector in India</p> <p>Rural development: Key issues - credit and marketing - role of cooperatives; agricultural diversification; alternative farming - organic farming</p>	20 Marks

	<ul style="list-style-type: none"> Chapter: 7 Environment and sustainable Development <p>Unit 8: Development Experience of India</p> <ul style="list-style-type: none"> Chapter: 8 Development Experience of India: A comparison with neighbours 	<p>Employment: Growth and changes in work force participation rate in formal and informal sectors; problems and policies</p> <p>Sustainable Economic Development: Meaning, Effects of Economic Development on Resources and Environment, including global warming</p>	8 Marks
		<p>Unit 8: Development Experience of India:</p> <ul style="list-style-type: none"> A comparison with neighbours India and Pakistan India and China Issues: economic growth, population, sectoral development and other Human Development Indicators 	
	Part C : Project Work		20 Marks
TOTAL MARKS	Part A + Part B + Part C		100 Marks