

Directorate of Education, GNCT Delhi
SESSION (2026-27)
ANNUAL SYLLABUS
CLASS XII
SUBJECT- ECONOMICS (030)

Part A - Introductory Macroeconomics

Unit 1: National Income and Related Aggregates

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.

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.

Unit 2: Money and Banking

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, CRR, SLR, Repo Rate and Reverse Repo Rate, Open Market Operations, Margin requirement.

Unit 4: Government Budget and the Economy

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.

Part B: Indian Economic Development

Unit 6: Development Experience (1947-90) and Economic Reforms since 1991: A brief introduction of the state of Indian economy on the eve of independence. 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 since 1991: Features and appraisals of liberalisation, globalisation and privatisation (LPG policy); Concepts of demonetization and GST

Unit 7: Current challenges facing Indian Economy

Human Capital Formation: How people become resource; Role of human capital in

economic development; Growth of Education Sector in India.

Rural development: Key issues - credit and marketing - role of cooperatives; agricultural diversification; alternative farming - organic farming

Employment: Growth and changes in work force participation rate in formal and informal sectors; problems and policies

**MID TERM EXAMINATION SYLLABUS
MUST BE COMPLETED BY 05th SEPTEMBER, 2026
PREPARATION FOR MID TERM EXAMINATION
MID TERM EXAMINATION
DISCUSSION OF MID TERM QUESTION PAPER**

Part A Introductory Macroeconomics

Unit 3: Determination of Income and Employment

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.

Problems of excess demand and deficient demand; measures to correct them - changes in government spending, taxes and money supply.

Unit 5: Balance of Payments

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.

Part B: Indian Economic Development

Unit 7: Current challenges facing Indian Economy

Sustainable Economic Development: Meaning, Effects of Economic Development on Resources and Environment (including global warming).

Unit 8: Development Experience of India:

A comparison with neighbours

India and Pakistan

India and China

Issues of economic growth, population, sectoral development and other Human Development Indicators

Part C: Project in Economics

Suggested list of projects:

- Micro and Small Scale Industries
- Food Supply Channel in India
- Contemporary Employment situation in India
- Disinvestment policy of the government
- Goods and Services Tax Act and its Impact on GDP
- Health Expenditure (of any state)
- Human Development Index
- Inclusive Growth Strategy
- Self-help group
- Trends in Credit availability in India
- Monetary Policy Committee and its functions
- Role of RBI in Control of Credit
- Government Budget & its Components
- Trends in budgetary condition of India
- Exchange Rate determination – Methods and Techniques
- Currency War – reasons and repercussions
- Livestock – Backbone of Rural India
- Alternate fuel – types and importance
- Sarva Shiksha Abhiyan – Cost Ratio Benefits
- Golden Quadrilateral- Cost ratio benefit
- Minimum Support Prices
- Relation between Stock Price Index and Economic Health of a Nation
- Waste Management in India – Need of the hour
- Minimum Wage Rate – Approach and Application
- Digital India- Step towards the future
- Rain Water Harvesting – A solution to water crisis
- Vertical Farming – An alternate way
- Silk Route- Revival of the past
- Make in India – The way ahead
- Bumper Production- Boon or Bane for the farmer
- Rise of Concrete Jungle- Trend Analysis
- Organic Farming – Back to the Nature
- Aatmanirbhar Bharat
- e-Rupee (e- ₹)
- Sri Lanka's Economic Crisis
- Sustainable Development Goals (SDG's)
- Environmental Crisis
- Comparative Study of Economies (Maximum three economies)
- New Education Policy (NEP) 2020: A Promise for a New Education System
- G-20: Inclusive and Action Oriented
- Amrit Kaal: Empowered and Inclusive Economy
- Cashless Economy
- Any other newspaper article and its evaluation on basis of economic principles
- Any other topic

Prescribed Books:

1. Indian Economic Development, NCERT.
2. Macroeconomics, NCERT
3. Supplementary Reading Material in Economics.

SYLLABUS MUST BE COMPLETED BY 5th DECEMBER, 2026
PREPARATION FOR PRE BOARD EXAMINATION 2026-27
PRE BOARD EXAMINATION 2026-27
DISCUSSION OF PRE BOARD QUESTION PAPER

Board Examination-2026-27

[For further information kindly refer to CBSE guidelines](#)

<https://cbseacademic.nic.in>

ECONOMICS (Subject Code 030)
CLASS - XII (2026-27)

Theory: 80 Marks
Project: 20 Marks

3 Hours

Units		Marks
Part A	Introductory Macroeconomics	
	National Income and Related Aggregates	10
	Money and Banking	06
	Determination of Income and Employment	12
	Government Budget and the Economy	06
	Balance of Payments	06
		40
Part B	Indian Economic Development	
	Development Experience (1947-90) and Economic Reforms since 1991	12
	Current Challenges facing Indian Economy	20
	Development Experience of India – A Comparison with Neighbours	08
	Theory Paper (40+40 = 80 Marks)	40
Part C	Project Work	20