**KENDRIYA VIDYALAYA SANGATHAN, SIRSA REGION**

**PRE-BOARD EXAMINATION**

**XII (ECONOMICS)**

Time 03 Hrs.                                                              M.M. 100

Note:-

1. All questions in both sections are compulsory.

2. Q.Nos. 1 to 5 & 17 to 21 are very short answer questions carrying 01 mark each. Answer each of them in one sentence.

3. Q.Nos. 6 to 10 & 22 to 26 are short answer questions carrying 03 marks each. Answer each of them in 60 words.

4. Q.Nos. 11 to 13 & 27 to 29 are also short answer questions carrying 04 marks each. Answer each of them in 70 words.

5. Q.Nos. 14 to 16 & 30 to 32 are long answer questions carrying 06 marks each. Answer each of them in 100 words.

6. Word limit does not apply to numerical questions.

7. Attempt should be neat & clean.

## SECTION A

1  What do you mean by opportunity cost?

2  What is marginal utility?

3 What is equilibrium ?

   4 Mention anyone point of difference between monopoly & perfect competition.

   5 What is an indifference curve?.

6 Suppose X & Y are substitute goods. How a fall in the price of good X will affect the quantity demanded of good Y?

7 . What is law of demand ? Prepare a demand schedule based on the law

   of demand.

माँग का नियम क्या है? माँग के नियम पर आधारित एक माँग सारणी बनाइये|

   8. Explain why a production possibility curve is concave to the point of origin?

समझाइए की उत्पादन संभावना वक्र मूल बिदु की ओर नतोदर क्यों होता है?

OR

   Explain the central problem of 'What to Produce' with an example.

   उदाहरण देकर 'क्या उत्पादन है' की केन्द्रीय समस्या की व्याख्या कीजिए ।

   9. Complete the following table:-

   निम्न सारणी को पूरा कीजिए----

| Price (Rs.) कीमत (रु में) | Output(units) उत्पादन (इकाइयों में) | TR | MR |
|---|---|---|---|
| 10 | 1 | - | - |

| 9 | 2 | - | - |
|---|---|---|---|
| 8 | 3 | - | - |
| 7 | 4 | - | - |

10  What is average cost? When is average cost equal to marginal cost?

11  When the price of a good falls by 20%, the quantity demanded of it rises from 400 units to 520 units. Calculate price elasticity of demand by percentage method.

12.  State any 04 features of Monopolistic Competition.

OR

What is Perfect Competition? Why a single price prevail in the market under this form of market situation?

13.  Explain the concept of equilibrium price & equilibrium quantity with the help of a diagram

14.  Prepare a Marginal Product Schedule When for increasing production

Only one input is increased. Indicate the phases of the Law of Variable

Proportions.

जब उत्पादन बढ़ाने के लिए केवल एक आगत में वृद्धि की जाती है तो सीमांत उत्पाद सारणी बनाइए| परिवर्ती अनुपात के नियम के विभिन्न चरण दर्शाइए|

15.  A consumer consumes only two goods. Explain the conditions of

Consumer's equilibrium with the help of Indifference curve analysis.

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एक उपभोक्ता केवल दो वस्तुओं का उपभोग करता है| अनाधिमान वक्र के विश्लेषण माध्यम से उपभोक्ता संतुलन की शर्तें समझाइए|

OR

What is demand function? Explain the factors affecting the individual demand.

माँग फलन क्या है?व्यैक्तिक माँग को प्रभावित करने वाले कारकों का वर्णन कीजिए|

16. Explain any four factors affecting the price elasticity of supply .

पूर्ति की लोच को प्रभावित करने वाले कोई चार कारकों का वर्णन कीजिए|

## SECTION B

17 What is the relationship between MPC & MPS?

18 What is excess demand?

19 What is indirect tax?

20 The price of 1 US Dollar has risen from Rs. 55 to 60.Has the Indian currency appreciated or depreciated?

21 Give the meaning of Statutory Liquidity Ratio?

22 From the following data relating to a firm calculate net value added at market price (NVA $_{MP}$):-

| Items | Rs. Crores |
|---|---|
| Sales | 9000 |
| Depreciation | 300 |
| Closing Stock | 200 |
| Opening Stock | 4 50 |
| Intermediate Purchases | 5500 |

23. What is Balance of Trade? How balance of trade is different from balance of payments?

Explain the components of current account of Balance of Payments.

24. Give the meaning of revenue expenditure and capital expenditure.

25 List 03 sources of demand & supply of foreign exchange.

26 Mention any 03 points of difference between a commercial & central bank.

27. Name the different sources of non-tax revenue receipts in a government budget.

OR

State any 04 objectives of a government budget.

28. The Reserve Bank of India aims to make the credit costly for the general public in order to reduce the availability of credit. What should be done?

29. An increase of Rs. 250 crores in investment in an economy results in total increase of Rs. 1000 crores in income. Find out the following: -

(a) MPC,

(b) MPS &

(c) Value of Multiplier.

30 What is double counting? How this problem can be avoided while estimating national income? Give example.

OR

What is national income? Can national income be greater or less than the domestic income? If yes, give reason.

31 Explain the determination of equilibrium level of national income by AD-AS approach.

32 From the following data calculate national income by-

(a) Income Method &

(b) Expenditure Method.

| Items | Rs. Crores |
| --- | --- |
| Compensation of employees | 1200 |
| Net factor income from abroad | -20 |
| Net indirect tax | 120 |
| Profits | 800 |

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| | |
|---|---|
| Private final consumption expenditure | 2000 |
| Net domestic capital formation | 770 |
| Depreciation | 130 |
| Rent | 400 |
| Interest | 620 |
| Mixed income | 700 |
| Net exports | -30 |
| Government final consumption expenditure | 1100 |

**N.B.. F O N T U S E D F O R H I N D I V E R S I O N IS M A N G A L**

**F O N T**

XII (ECONOMICS)

MARKING SCHEME

SECTION A

1. 01 Mark for correct answer.

2. 01 Mark for correct answer.

3. 01 Mark for correct answer.

4. 01 Mark for anyone correct point of difference.

5. 01 Mark for correct answer

6. 03 Marks for correct answer with explanation.

7. 03 Marks for correct answer with explanation.

8. 03 Marks for correct answer with explanation.

9.

| Price (Rs.) | Output(units) | TR | MR |
|---|---|---|---|
| 10 | 1 | 10 | - |
| 9 | 2 | 18 | 8 |
| 8 | 3 | 24 | 6 |
| 7 | 4 | 28 | 4 |

10.        01 Mark for correct meaning of AC.

   02 Marks for 2nd part of the question.          1+2=3 Marks

11. 01 Mark for correct formula.

   03 Marks for calculation.          1+3=4 Marks

   Ans = 1.5

12. 01 Mark for each correct point.          1+1+1+1=4 Marks

OR

   01 Mark for correct meaning.

   03 Marks for 2nd part of the question.          1+3=4 Marks

13. 04 Marks for correct answer with diagrammatic explanation.

14. 02 Marks for correct answer

  02 marks for explanation.

  02 marks for schedual.

15. 02 Marks for meaning of consumer's equilibrium.

  04 Marks for diagrammatic explanation.     2+4=6 Marks

<div align="center">OR</div>

  01 Marks for meaning of demand function.

  05 Marks for explaination of factors     1+5=6

16. 1.5 Marks for each .     1.5*4=6


<div align="center">SECTION B</div>

17. 01 Mark for correct answer.

18. 01 Mark for correct answer.

19. 01 Mark for correct answer.

20. 01 Mark for correct answer.

21. 01 Mark for correct answer.

22. NVAmp = (i) + (iii) - (iv) - (ii) – (v)

      = 9000 + 200 –4 50 – 300 – 5500

      = Rs. 2950 Crores.

  01 Mark for correct formula.

  02 Marks for correct calculation.     1+2 = 03 Marks

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23. 03 Marks for correct answer.

OR

01.5 Mark for each point.                    1.5+1.5=03 Marks

24. 03 Marks for correct answer with explanation.

25. ½ Mark for each correct source of demand & supply of foreign exchange.

½+½+½+½+½+½=3 Marks

26. 01 Mark for each correct point of difference.           1+1+1=03 Marks

27. 01 Mark for each point                    1+1+1+1=4

Or

.

01 Mark for each correct point.                  1+1+1+1= 04 Marks

28. 04 Marks for correct explanation.

29. 01 Mark for correct value of MPC=0.75

01 Mark for correct value of MPS=0.25

02 Marks for correct value of investment multiplier.     1+1+2= 04 Marks

30.01marks for treatment&01 marks for reason each.

Or

02 Marks for correct meaning of double counting.

04 Marks for correct answer with explanation.    2+4= 06 Marks

04 Marks for correct explanation with reason.    2+4= 06 Marks

31. 03 Marks for correct explanation with diagram.

   03 marks for role of bank rate.

32. National Income by Income Method

   = (i) + (ii) + (iv) + (viii) + (ix) + (x)

   = 1200 + (-20) + 800 + 400 + 620 +700

   = Rs. 3700 Crores

   National Income by Expenditure Method

   = (ii) + (v) + (vi) + (xi) + (xii) – (iii)

   = (-20) + 2000 + 770 + (-30) + 1100 – 120

   = Rs. 3700 Crores

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