

CLASS XII

GUESS PAPER

ECONOMICS

General Instruction

- 1 All questions in both the section are compulsory
- 2 Question no.1-5 and 17-21 are very short answer question carrying 1 marks each.
- 3 Question no.6-10 and 22-26 are short answer question carrying 3 marks each.
- 4 Question no.11-13 and 27-29 are short answer question carrying 4 marks each.
- 5 Question no.14-16 and 30-32 are long answer questions carrying 6 marks each.

- 1) Why the production at the point towards left side from PPC is not desirable?
- 2) What do you mean by monotonic preference?
- 3) What do you mean by patent rights?
- 4) How does AFC behave as output is increased?
- 5) Distinguish between stock of a commodity & supply of commodity .
- 6) The slope of demand curve is -0.5 Calculate E_d when initial price is rs 20 per unit and initial quantity is 50 unit of commodity.
- 7) Distinguish between returns to factor & returns to scale.
- 8) Prove that any straight line supply curve passing through the origin has unitary value of elasticity of supply.
- 9) Frequent strikes of workers shifts PPC curve rightward. Defend or refute.
- 10) Explain the implication of feature 'Homogeneous product.'
- 11) Find out producer's Equilibrium. On the basis of MR & MC approach.

Output	TR	TC
1	7	7
2	7	15
3	7	22
4	7	28
5	7	33
6	7	40
7	7	48

- 12) Can there be the range of output in which MC rises while AC falls why?
- 13) A consumer wants to consume two goods. The price of two goods are Rs 4 and Rs5 respectively. The consumer's income is Rs 20

- (i) Write down the equation of budget line.
(ii) what is the slope of budget line.
(iii) How much the consumer consume good 1 if he spend her entire income on that good.
(iv) How much the consumer consume good 2 if he spend her entire income on that good.
- 14) Explain the consumer's equilibrium according to indifference curve.
15) What will be the effect on equilibrium price & quantity due to decrease in demand & supply?
16) Explain short run situations of producer's equilibrium
17) What do you mean by fiat paper?
18) What are injections?
19) How can double counting be avoided.
20) What is CRR?
21) If $S = -50 + .2Y$ What is the value of multiplier.?
22) Why is the study of problem of Unemployment in India considered as macro economics?
23) Explain the effect of depreciation of domestic currency on export.
24) Explain the difference between private Income & personal income.
25) What do you mean by fiscal deficit? Explain its implication.
26) What do you mean by net factor income from abroad. Briefly discuss its various components.
27) Explain the difference between capital expenditure & revenue expenditure.
28) Explain the money creation by commercial banks.
29) Calculate Net National disposable income
GDP NP = 2500
Depreciation = 100
NFIA = -10
Net current transfers from rest of world = 200
Net indirect taxes = 20
30) If $C = 100 + 0.8Y$ show that (a) APC falls with increase in income (b) MPC remains constant
(c) equilibrium consumption (d) equilibrium income
31) Calculate national income by Income method & Expenditure method(6)
- | | |
|----------------------------------|--------|
| 1) Gross fixed capital formation | = 130 |
| 2) Private final consumption exp | = 510 |
| 3) Mixed Income | = 280 |
| 4) NFIA | = (-)5 |
| 5) Exports | = 50 |
| 6) Imports | = 60 |
| 7) Compensation of employees | = 240 |
| 8) Govt. final consumption exp | = 140 |
| 9) Net fixed capital formation | = 40 |
| 10) Indirect taxes | = 90 |
| 11) Subsidies | = 10 |
| 12) Rent, Interest & Profit | = 90 |

- 13) Change in stock = 30
14) Interest on National debt = 10

32) Give reasons, explain how the following are treated in National income

- I. Wheat grown by a farmer but used entirely for family's consumption.
- II. Salaries paid to non resident Indians working in Indian embassy in America
- III. Profit earned by Indian bank from its branches abroad.



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