

CLASS XII GUESS PAPER ECONOMICS

Time : 3 Hours

M.M. = 100

PART - A

I. One Mark - One Sentence

1. is the sum total of economic activities of the society.
(a) Utility (b) Consumption (c) Economy (d) None of these
2. Slope of PPC is measured by
(a) Marginal Rate of substitution (b) Marginal Rate of Transformation
(c) Marginal rate of technical substitution (d) None of these
3. Upward movement of demand curve is due to
(a) rise in price (b) fall in price
(c) due to other factors (d) None of these
4. period in which all factors can change in same proportion :
(a) Short-period (b) Long period (c) Very short period (d) None of these
5. Which cost never touches any of the axis
(a) Average variable cost (b) Marginal cost
(c) Total Fixed cost (d) Average fixed cost

(3 Marks - 60 Words)

6. Explain how equilibrium price is determined under perfect competition. (use schedule).
7. Compare the demand curves of monopoly and monopolistic markets. (use diagrams).
8. Complete the following

Output (units)	AFC(Rs.)	MC (Rs.)	FC (Rs.)
1.	-	-	-
2.	-	10	82
3.	20	8	-
4.	-	-	99
5.	12	10	-

OR

Complete the following

Price (Rs.)	Output (units)	TR(Rs.)	MR (Rs.)
7	-	7	-
-	2	-	3
4	-	12	-
-	4	-	(-4)

(4 Marks - 70 Words)

9. Explain how price elasticity of demand is affected in the following cases
(i) Level of prices, (b) Different uses of the commodity
10. How does demand affected in the following cases
(a) Change in price of related goods. (b) Change in income of the consumer.
11. How demonitisation will affect the PPC of India? Explain with the help of curve.

IV. (6 Marks - 100 words)

12. Giving reasons, state whether the following are true or false.
(a) When there are diminishing return to factor TP and MP both always diminishes.
(b) When MC rises AC will also rises.
(c) When MR is positive and constant TR is also constant.
(d) MC and MP are inversely related.
13. Explain the implication of the following features
(a) Perfect knowledge for inputs and output under perfect competition.
(b) Product differentiation under imperfect competition.
(c) Free entry and exit of the firms under perfect competition.
(d) Single scaller under monopoly.
14. (i) Explain graphical method of measuring price elasticity of supply.
(ii) The price of a commodity is Rs. 10 per unit and total revenue from it is Rs. 1000. Its price elasticity of supply is 0.8. Its price falls by 10%. Calculate the TR at the reduced price?
15. Explain conditions of consumer equilibrium through ordinal utility use schedule and curve.

OR

Explain the meaning of Budget line, Budget set and Budget constraint with the help of an hypothetical numerical example.

PART - B

One Mark - One Sentence

16. State two components of money supply which are included in M_1 ?
17. Define money supply.
18. Give the meaning of exanti' and export'
19. State any two ways through which government policies can help in reducing inequalities of income and wealth in the economy.
20. How primary define estimated from fiscal deficit.

(3 Marks - 60 Words)

21. Complete the following :

Income (Rs.)	Saving	MPC	APS
100	40	-	0.4
200	-	0.5	-
300	120	-	-

22. Explain any two merits and demerits of fixed exchange rate system.

23. Explain the condition of under-employment equilibrium and how full employment equilibrium can be reached.

(4 Marks - 70 Words)

24. Giving reasons, state whether the following are true or false :

- (i) Balance of payments is always balance.
- (ii) Deficit in current account means balance of payments deficit.
- (iii) Purchase of machinery is recorded in capital account.
- (iv) External assistance is not recorded in BOP.

25. Explain the steps to measure the national income by value added method. Also explain two precautions to measure it.

26. Calculate (a) Gross National Disposable Income and (b) Net National Disposable Income (Rs. in crore)

(i) National Income	2400
(ii) Net Indirect Taxes	60
(iii) Consumption of Fixed Capital	120
(iv) Net Factor income from abroad	400
(v) Net current transfers from rest of world	800

IV. (6 Marks - 100 words)

27. (a) Distinguish between Repo rate and Bank rate?

(b) Explain the concept of money multiplier with the help of numerical example.

28. (a) Explain the basis on which budget receipts are classified as revenue receipts and capital receipts. Give two example.

(b) Give the meaning of (i) balanced budget (ii) surplus budget (iii) Deficit budget.

29. Draw a diagram showing deflationary gap. Explain two fiscal measures to overcome it.

OR

Show how AD and AS derives the saving and investment approach to reach equilibrium level of income.

30. Find (i) Private Income (ii) Domestic Income

(i) Net indirect taxes	140
(ii) Savings the non-departmental enterprises	80
(iii) Corporate profit tax	70
(iv) National Debt Interest	60
(v) GNP_{MP}	800
(vi) Consumption of fixed capital	30
(vii) Net factor income from abroad	20
(viii) Income from property and entrepreneurship accruing to government administrative department.	40
(ix) Current transfers from government	50
(x) Net current transfers from rest of the world	45