

| STD XII (Blue- Print) Preliminary Examination 2017-18 | | ECONOMICS | | | |
|---|-------------|--------------|-----------|-----------|-----------|
| Content section-A | Total Marks | Distribution | | | |
| Micro Eco | 40mk | 1mk | 3mk | 4mk | 6mk |
| Unit-1 Introduction | 4 | 1Q | 1Q | | |
| Unit-2 Consumers Equilibrium & Demand | 13 | | 1Q | 1Q | 1Q |
| Unit-3 Producers Behavior & Supply(Excluding Supply) | 13 | 3Q | | 1Q | 1Q |
| Unit-4 Forms of Market and Price Determination under perfect competition with simple applications | 10 | | | 1Q | 1Q |
| Total | 40 | 4q | 2q | 3q | 3q |
| Section-B | | | | | |
| Macro Economics | 40 | 1mk | 3mk | 4mk | 6mk |
| Unit-5;National Income &Agg | 10 | | | 1Q | 1Q |
| Unit-6;Money & Banking | 6 | 2Q | | 1Q | - |
| Unit-7;Determination of Income & Employment | 12 | | 2Q | | 1Q |
| Unit-8;Government Budget and the economy | 6 | 2Q | | 1Q | - |
| Unit-9;Balance of Payments | 6 | | | | 1Q |
| Total | 40 | 4q | 2q | 3q | 3q |

Sample Question Paper

Class XII

ECONOMICS

Time : 3 Hrs.

Max. Marks : 80

GENERAL INSTRUCTIONS :

- 1] All questions in both the sections are compulsory.
- 2] Marks for questions are indicated against each.
- 3] Question Nos 1- 4 and 13-16 are very short answer questions carrying 1 mark each. They are required to be answered in one sentence each.
- 4] Question Nos 5-7 and 17-18 are short answer questions carrying 3 marks each. Answer to them should not normally exceed 60 words each.
- 5] Question Nos 8-10 and 19-21 are also short answer questions carrying 4 marks each. Answer to them should not normally exceed 70 words each.
- 6] Question Nos 11-13 and 22-24 are long answer questions carrying 6 marks each. Answer to them should not normally exceed 100 words each.
- 7] Answer should be brief and to the point and the above word limit be adhered to as far as possible.

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- | | | |
|--------------------------------------|---|---|
| Q.1 | Explain the Central problem for whom to produce. | 1 |
| Q.2 | A firm increases its output from 15 units to 20 units as a result its Total cost increases by Rs 620/-. Calculate its Marginal Cost. | 1 |
| Q.3 | Let the Production function of a firm be $Q = 2L^2K^2$. Find out the maximum possible output that the firm can produce with 5 units of L and 2 units of K .What is the maximum possible level of output that the firm can produce with 0 unit of L and 10 units of K? | 1 |
| Q.4 | How does the imposition of unit tax affect the supply curve of a firm? | 1 |
| Q.5 | Explain the concept of Production Possibility Curve with the help of a schedule. | 3 |
| Q.6 | Differentiate between Complementary goods and substitute goods. | 3 |
| OR | | |
| Explain the causes of Law of Demand. | | |
| Q.7 | A consumer spends Rs 200/- on a good priced at Rs 5/- per unit. When its price falls by 20 percent, the consumer spends Rs 200/- on the good. Calculate the price elasticity of demand by percentage methods. Draw the | 4 |

demand curve.

Q.8 Explain using diagram the impact of increase in income on demand of good. 4

OR

What will be the effect of 10% rise in price of a good on its demand if price elasticity of demand is a) zero b) -1?

A consumer's income is Rs 200. He spends it on purchase of good X and good Y. Price of good X and Good Y are Rs 40 and Rs 20 per unit respectively.

Answer the following questions :

- Write the equation of his budget line?
- Write two such combinations of x and y which are a part of his budget set but do not lie on his budget line.
- Write two such combinations of x and y which lie on the budget line.

Q.9 "Irregularity in supply of water has lead to hike in price of Onions" 4

Use a diagram and economic theory to analyse the statement.

Q.10 How is equilibrium price of a commodity determined under perfect competition ? Explain with the help of a schedule and diagram. 6

Q.11 Complete the following table: 6

| Output (Units) | AVC | TC | MC |
|----------------|-----|-----|----|
| 1 | | 60 | 20 |
| 2 | 18 | | |
| 3 | | | 18 |
| 4 | 20 | 120 | |
| 5 | 22 | | |

Calculate the economic cost :

| | | |
|---|--|------|
| 1 | Purchase of raw material | 500 |
| 2 | Payment of wages and salaries | 1000 |
| 3 | Payment of rent | 200 |
| 4 | Donations | 200 |
| 5 | Estimated value of the services of the owner | 700 |
| 6 | Expected profit | 80 |
| 7 | Estimated abnormal profit | 600 |

OR

Explain the conditions of producer's equilibrium by MR and MC approach?

Q.12 Explain the conditions of consumer's equilibrium with the help of Indifference curve analysis. 6

SECTION –B

- Q.13 Explain the basic measure of Money supply. 1
- Q.14 Find National Income from the following : 1
- Autonomous Consumption =100
- Marginal Propensity to Consume =0.8
- Investment =50
- Q.15 Government has started spending more on providing free services like education and health to the poor.Explain the economic value it reflect? 1
- Q.16 Is it correct that if revenue budget balances, Capital budget also balances 1
- Q.17 Given the consumption function, $C= 150+0.6Y$,and Investment expenditure =2000. Calculate 3
- a. Its equilibrium level of National Income
- b. Consumption at equilibrium level of National Income
- Q.18 What is Deficient demand? Why does it arise? What is its impact in the economy? 3
- OR
- Define Investment Multiplier using a numerical example and diagram.
- Q.19 Will the following be included in domestic factor income of India? Give reasons for your answer. 4
- a) Profits earned by a foreign bank from its branches in India.
- b) Scholarship given by Government of India.
- c) Profits earned by a resident of India from his company in Singapore.
- d) Salaries received by Indians working in American embassy in India.
- OR
- Will the following be a part of domestic factor income of India? Give reasons for your answer.
- a) Old age pension given given by the Government
- b) Factor income from abroad
- c) Salaries to Indian residents working in Russian embassy in India.
- d) Profits earned by a company in India, Which is owned by a non-resident.
- Q.20 The Government of India had launched 'Jan dhanYojna' aimed at every household in the country to have at least one bank account , this has lead to deposit of Rs 1000 crores in the bank. Assuming LRR to be 20% explain how 4

deposits made under the plan are going to affect the National Income of the country.

Q.21 What are nontax receipts? Explain its different components. 4

In the Government of a country's budget for the year 2013-14 the Finance Minister proposed to raise the excise duty on cigarettes. He also proposed to increase income tax on individual earnings more than Rs 1 crore per annum. Is the objective only to earn revenue for the government? What possible welfare objective can you think of from these proposals? Explain.

Q.22 Derive a straight line saving curve using the following consumption function : $C = 20 + 0.6Y$ 6

Presuming the income levels to be Rs 100, Rs 200 and Rs 300 Crores. Also calculate that level of income where consumption is equal to income.

OR

What is Equilibrium Level of National income? Discuss the different situations in which an economy can attain equilibrium.

Q.23 From the following data, calculate (a) Gross Domestic Product at Factor cost, and (b) Factor income to abroad : 6

| No | Particulars | Rs in Crores |
|----|---|--------------|
| 1 | House rent allowance | 400 |
| 2 | Conveyance allowance | 200 |
| 3 | Rent free accommodation | 250 |
| 4 | Imputed interest of interest free loans | 150 |
| 5 | Profits | 200 |
| 6 | Dividends | 80 |
| 7 | Gross National Product at market price | 1800 |
| 8 | Rent | 250 |
| 9 | Interest | 200 |
| 10 | Gross Domestic capital Formation | 300 |
| 11 | Net fixed capital formation | 200 |
| 12 | Change in stock | 50 |
| 13 | Factor income from abroad | 80 |
| 14 | Net indirect taxes | 120 |

Q.24 Explain why Supply of a foreign currency rises in response to a rise in its exchange rate. 6

Prepared by Smt. Geeta Dubey.