KENDRIYA VIDYALAYA SANGATHAN, CHENNAI REGION

CLASS-XII COMMON PRE BOARD EXAMINATION

Subject: ECONOMICS   Time Allotted: 3 hours   Maximum Marks: 100

General Instructions:

1. All questions in both the sections are compulsory.
2. Marks for questions are indicated against each.
3. Questions No.1-5 and 17-21 are very short answer questions carrying one mark each. They are required to be answered in one sentence each.
4. Questions No.6-10 and 22-26 are short answer questions carrying three marks each. Answers to them should normally not exceed 60 words each.
5. Questions No.11-13 and 27-29 are also short answer questions carrying 4 marks each. Answer to them should normally not exceed 70 words each.
6. Questions No.14-16 and 30-32 are long answer questions carrying 6 marks each. Answer to them should normally not exceed 100 words each.
7. Question Nos.11 and 19 are value based questions.
8. Answers should be brief and to the point and the above word limits should be adhered to as far as possible.

saamaanya inad-oSa :

1. daonaaoM vagaao-M ko saBaI p`Sna Ainavaaya- hOM.

2. p`%yaok p`Sna ko inaQaa-irt AMk]sako saamanao ide gae hOM.

3. p`Sna saM#yaa 1-5 AaOr 17-21  Ait laGau~a%mak p`Sna hOM. ijanamao p`%yaok ka 1 AMk hO. [naka]%tr kovala ek vaa@ya maoM haonaa caaihe.

4. p`Sna saMM#yaa 6-10  AaOr 22 - 26 laGau~a%mak p`Sna hOM. ijanamao p`%yaok ko 3 AMk hO. [naka]%tr saamaanyat: 60 Sabdao sao AiQak nahI haonaa caaihe.

5. p`Sna saM#yaa 11 - 13 AaOr 27 - 29 BaI laGau~a%mak p`Sna hOM. ijanamao p`%yaok ko 4 AMk hO. [naka]%tr saamaanyat: 70 Sabdao sao AiQak nahI haonaa caaihe.

6. p`Sna saM#yaa 14 - 16 AaOr 30 - 32 vyaa#yaa%mak ]%tr vaalao p`Sna hOM. ijanamao p`%yaok ko 6 AMk hO.

7. p`Sna saM#yaa 11 AaOr 19 maUlya AaQaairt p`Sna hOM.

8. javaaba ko saMixaPt AaOr tqyaa%mak haonaa caaihe AaOr }pr idyao Sabd saImaa ko AMtga-t hI haonaa caaihe.

SECTION - A

1. Define revenue.   1

   आगम की परिभाषा दीजिए ।

2. What is demand schedule?   1

   qÉÉðaÉ AlÉÑxÉÔcÉÏ MüÉ YrÉÉ AjÉï Wæû?

3. Define budget set.   1

   oÉeÉOû saoT MüÐ mÉËUpÉÉwÉÉ SÏÎeÉL? .

4. Give meaning for marginal cost.   1

   xÉÏqÉÉÇiÉ sÉÉaÉiÉ MüÉ YrÉÉ AjÉï Wæû?

5. What is meant by Oligopoly.   1

   AsmÉÉÍkÉMüÉU MüÉ YrÉÉ AjÉï Wæû?

6. Explain the properties of Indifference curve.   3

   iÉOûxjÉÉ uÉ¢ü Måü sÉ¤ÉhÉ MüÐ urÉÉZrÉÉ MüÐÎeÉL |

7. Explain Law of Supply.   3

   mÉÔÌiÉïMåü ÌlÉrÉqÉ MüÐ mÉËUpÉÉwÉÉ SÏÎeÉL |

8. The price elasticity of demand of a good is (-1). At a given price the consumer   3
   buys 60 units of the good. How many units the consumer will buy if price falls
   by 10%.

   LMü uÉxiÉÑ MüÐ qÉÉÆaÉ MüÐ MüÐqÉiÉ sÉÉåcÉ (-1) Wæû|
   EmÉÉÉÉ£üÉ CxÉ uÉxiÉÑ MüÐ 60 CMüÉCrÉÉÆ ZÉUÏSiÉÉ Wæû|
   uÉxiÉÑ MüÐ MüÐqÉiÉ 10% ÌaÉU eÉÉlÉå xÉå EmÉÉÉÉ£üÉ
   ÌMüiÉlÉÏ qÉÉ§ÉÉ ZÉUÏSåaÉÉ?

9. Distinguish between explicit cost and implicit cost Give examples for each.   3

   xmÉ¹ uÉ AxmÉ¹ sÉÉaÉiÉÉåÇ qÉåÇ pÉåS MüUåÇ LMü ESÉWûhÉÉ
   SÏÎeÉL |

10. Explain the implication of product differentiation as a feature of monopolistic 3
    competition.

                      OR

    Explain the implication of homogenous product as a feature of perfect
    competition

    LMüÉÍkÉMüÉËUMü mÉëÌiÉrÉÉåÌaÉiÉÉ Måü AÇiÉaÉïiÉ EimÉÉS
    ÌuÉpÉåS ÌuÉzÉåwÉiÉÉ Måü mÉëpÉÉuÉ xÉqÉfÉÉCL |
                  AjÉuÉÉ
    mÉÔhÉï mÉëÌiÉrÉÉåÌaÉiÉÉ Måü AÇiÉaÉïiÉ oÉQûÏ xÉÇZrÉ qÉåÇ
    ÌuÉ¢ååûiÉÉ ÌuÉzÉåwÉiÉÉ Måü mÉëpÉÉuÉ xÉqÉfÉÉCL |

11. In case of a product like diesel which is sold by government at a subsidesed   4

price how can the government lower the losses without lowering the subsidies.

DIsala ek vastu hOM jahaÐ sarkar Aaiqa-k sahayata dotI hO [sasao sarkar laagat baZtI hO.eosaa]paya bata[e ijasasao sarkar kI laagat mao kmaI hao AaOr Aaiqa-k sahayata BaI na GaTo.

12. Explain the central problem of an economy i) on distribution of income ii)Technique of production   4
    AÉrÉ MüÐ ÌuÉiÉUhÉ AÉæU EimÉÉSèlÉ MüÐ iÉMülÉÏMü mÉU AjÉïurÉuÉxjÉÉ MüÐ MåülSìÏrÉ xÉqÉxrÉÉ MüÐ urÉÉZrÉÉ MüÐÎeÉL |

13. State four factor that affects elasticity of demand and explain any one.   4

    OR

    Distinguish between change in demand and change in quantity demand
    qÉÉÇaÉ MüÐ sÉÉåcÉ MüÉå mÉëpÉÉÌuÉiÉ MüUlÉå uÉÉsÉå å cÉÉU MüÉUMü oÉiÉÉCL AÉæU LMü MüÉ uÉhÉïlÉ MüÐÎeÉL|
    AjÉuÉÉ)
    qÉÉÆaÉ qÉåÇ mÉËUuÉiÉïlÉ AÉæU qÉÉðaÉ aÉD qÉɧÉÉ qÉåÇ mÉËUuÉiÉïlÉ qÉåÇ pÉåS MüÐÎeÉL|

14. Explain the relationship between TPP and MPP with the help of a schedule by keeping one input as constant.   6
    LMü AÉaÉiÉ ÌxjÉU UZÉMüU, MÑüsÉ pÉÉæÌiÉMü EimÉÉS AÉæU xÉÏqÉÉliÉ pÉÉæÌiÉMü EimÉÉS qÉåÇ xÉqoÉlkÉ AlÉÑxÉÔcÉÏ MüÐ xÉWûûrÉiÉÉ xÉå xÉqÉfÉÉCL |

15. What is equilibrium price? If there is simultaneous decrease in demand and supply what will happen to equilibrium price ?   6

    OR

    There is simultaneous increase in demand and supply of a commodity. The equilibrium price may or may not change, explain with the help of a diagram
    xÉÇiÉÑÍsÉÉ MüÐqÉiÉ YrÉÉ Wæû?rÉÌS qÉÉðaÉ AÉæU mÉÔÌiÉï qÉåÇ MüqÉÏ LMü xÉÉjÉ WûÉåiÉÏ Wæû iÉÉå xÉÉliÉÑÍsÉÉ MüÐqÉiÉ mÉU YrÉÉ mÉëpÉÉuÉ mÉQåûaÉÉ?
    (AjÉuÉÉ)
    LMü uÉxiÉÑ MüÐ qÉÉðaÉ AÉæU mÉÔÌiÉï qÉåÇ LMü xÉÉjÉ uÉÉ×Î® WûÉåiÉÏ Wæû,xÉÉliÉÑÍsÉÉ MüÐqÉiÉ qÉåÇ mÉËUuÉiÉïlÉ WûÉåaÉÉ rÉÉ MüåD mÉËUuÉiÉïlÉÏ lÉWûÏ Wæû, UåZÉÉÍcɧÉ MüÐ xÉWûûrÉiÉÉ xÉå xÉqÉfÉÉCL|

16. What are the conditions of consumer equilibrium? The price of Ice cream is Rs. 30 . Meena has eaten 3 ice creams The MU for her is 90 MU of one rupee is 3 Should she eat more or stop. Explain it.   6
    EmÉpÉÉå£üÉ MåÜ xÉÉliÉÑÍsÉÉ MüÐ zÉiÉïï xÉqÉfÉÉCL | LMü AÉCxÉ¢üÏqÉ MüÐ MüÐqÉiÉ Â 30 Wæû,.qÉÏlÉÉ lÉå iÉÏlÉû AÉCxÉ¢üÏqÉ ZÉÉD jÉÏ| xÉÏqÉÉliÉ EmÉrÉÉåÌaÉÉ 90 rÉ ÔOûûÏqÉ Wæû LMü ÂmÉrÉå MüÐ xÉÏqÉÉliÉ EmÉrÉÉåÌaÉÉ 3 Wæû|rÉÌÉ ExÉå AÉæU ZÉÉlÉÉ cÉÉÌWûL rÉÉ ÂWûûÏÇ? xÉqÉfÉÉCL |

17. **Section B**

    Mention one item that is a part of capital receipts in the Govt. budget   1

    सरकारी बजेट का एक अंक बताइये जो पूंजीगत प्राप्तियों का स्त्रोत है ।

18. What is SLR ?   1

    LxÉLsÉAÉU   YrÉÉ Wæû?

19. The country needs huge amount of imports for developmental   1
    Programmes.Name one step which the central bank can make imports cheper
    using the foreign exchange market.

    ivakasaaqamak yaaojanaaAaoM ko ilae ek doSa kao
    Aayaat ko ilae pUÐjaI kI ja$rt hO ivadoSaI
    ivanayama baajaar inayaM~Na Wara kma dama
    maoM Aayaat krnao ka ek]paya bata[e.

20. What is meant by BOT?   1

    urÉÉmÉÉU zÉåwÉ YrÉÉ Wæû?

21. What is Parity value?   1

    xÉqÉÉiÉÉ qÉÉÉlÉ MüÉ YrÉÉ AjÉï Wæû?

22. Can the economy be in equilibrium if there is unemployment of resources in   3
    the economy. Explain.

    YrÉÉ AjÉïurÉuÉxjÉÉ MüÐ xÉÇiÉÑÑÉsÉÉ ÎxjÉÉÌiÉ qÉåÇ AsmÉ
    UÉåeÉaÉÉÉU MüÐ ÎxjÉÉÌiÉ WûåÉå xÉMüiÉÏ Wæû ?urÉÉÉZrÉÉ MüÐÎeÉL|

23. Rs. 200 crore increase in investment leads to a rise in national income by Rs   3
    1000 crore .Find out Marginal propensity to consume.

    rÉÈS ÌlÉÉuÉåzÉ qÉåÇ uÉ×Î® Ã.200 MüUÉåQû WæûAÉæU UÉ¹ÏrÉ
    AÉrÉ qÉåÇ uÉ×Î® Ã.1000 MüUÉåQû Wæû. xÉÏqÉÉÉÇiÉ mÉëuÉ×Ì¨É
    EmÉÉÉåaÉ MüÉ qÉÉÔsrÉ ÌlÉMüÉÉÍsÉL|

24. How does money solve the problem of double coincidence of wants   3

    qÉÑÑÉ SÉåWûUå xÉÇÉrÉÉåaÉ MüÐ MüÌPûÉÉÉÉïÉÉð MæüüxÉå SÕU
    MüUiÉÏ Wæû?

25. Distinguish beween capital expenditure and revenue expenditure in govt   3

    budget.

    xÉUMüÉUÏ oÉeÉÉÉOû qÉåÇ mÉÉÔðeÉÉÏ urÉÉÉ AÉæU UÉeÉÉxuÉ urÉÉÉ

    MüÉ AÇiÉU xmÉ¹ MüÐÎeÉL |

    OR AjÉuÉÉ

    How does budgetary policy help to reduce unemployment and price instability

    oÉeÉÉÉÉOû ÍÉÉÏiÉÉ oÉåUÉåeÉÉÉÉÉUÏ MüqÉÉ MüUIÉå iÉjÉÉ MüÐqÉÉÉiÉ
    ÎxjÉÉÉÌÉÉ qÉåÇ MæüüxÉå xÉWûÉÉrÉMü Wæû ?

26. Calculate National income for the following data   3

i) Consumption of fixed capital	2217
ii) Net indirect tax	3527
iii)Imports	1806
iv)Exports	1771
v)Change in stocks	1039
vi)Gross fixed capital formation	6305
vii) Government final consumption expenditure	29163
viii)Private final consumption expenditure	3801
ix) Net factor income from abroad	(-)284

ÌlÉqlÉÍsÉÎZÉiÉ AÉÆMüQûÉåÇ xÉå UÉ·íÍrÉ AÉrÉ ¥ÉÉiÉ MüÐÎeÉL-

1AcÉsÉ mÉÔðeÉÏ MüÉ EmÉÉåÉåaÉ	2217
2 zÉÑ® AmÉëirÉ¤É MüU	3527
3 AÉrÉÉiÉ	1806
4 ÌlÉrÉÉïiÉ	1771
5xOûÉMü qÉåÇ mÉËUuÉiÉïlÉ	1039
6xÉMüsÉ ÎxjÉU mÉÔðeÉÏ ÌlÉqÉÉïhÉ	6305
7xÉUMüÉUÏ AÇÌiÉqÉ EmÉÉåÉåaÉ urÉrÉ	29163
8ÌlÉeÉÏ AÇÌiÉqÉ EmÉÉåÉåaÉ urÉrÉ	3801
9ÌuÉSåzÉÉåÇ xÉå AÎeÉïiÉ zÉÑ® xÉÉkÉlÉ AÉrÉ	(-)284

27. What is revenue deficit? What are the implications of revenue deficit. Suggest two measures to reduce it. 4

UÉeÉxuÉ bÉÉÉOûÉ YrÉÉ Wæû ?CxÉMüÉ YrÉÉ mÉëpÉÉuÉ mÉÉÄQûiÉÉ Wæû ?CxÉå MüqÉ MüUlÉå Måü ÍsÉL xÉÑfÉÉuÉ SÏÎeÉL |

28. Explain the functions of central bank as banker to the government. 4

OR

Explain the Bank rate as a method of credit control used by RBI

MåüÎSìrÉ oÉæÇMü qÉåÇ xÉUMüÉU MüÉ oÉæÇMüU MüÐ MüÉrÉÏ xmÉ¹ MüÐÎeÉL |

AjÉuÉÉ

ËUeÉuÉï oÉæÇMü qÉåÇ xÉÉZÉ ÌlÉrÉÉ§ÉhÉ qÉåÇ oÉæÇMü SU

MüÐ pÉÔÍqÉMüÉ xmÉ¹ MüÐÎeÉL |

29.   Explain the components of capital account in BOP   4

pÉÑaÉiÉÉlÉ zÉåwÉ qÉåÇ mÉÔðeÉÏ ZÉÉiÉå Måü bÉOûMü xmÉ¹
MüÐÎeÉL |

30.   Will the following be a part of domestic factor income of India? Give reason   6

        in support of your answer.

        a)Profit earned by foreign banks from their branches in India.

        b)Salary by Indian residents working in American Embassy in India.

        c) Profits earned by Indian company from its branches in Singapore

ÌlÉqlÉÍsÉÍZÉiÉ qÉÉÇ pÉÉUiÉ MüÐ bÉUåÉÑ xÉÉkÉÉÍ AÉrÉ qÉåÇ

zÉÉÍqÉsÉ Wæû rÉÉ lÉWûÏÇ?AmÉlÉå E¨ÉU MåüÍsÉL MüÉUhÉ SÏÎeÉL

|

(A) pÉÉUiÉ qÉåÇ ÌuÉSåzÉÏ oÉæÇMüÉåÇ MüÐ zÉÉZÉÉAÉåÇ ²ÉUÉ

AÎeÉïiÉ sÉÉpÉ

(oÉ) pÉÉUiÉ qÉåÇ AqÉåËUMüÐ UÉeÉSÕiÉ qÉåÇ MüÉrÉïUiÉ

pÉÉUiÉÏrÉ ÌlÉuÉÉÍxÉrÉÉåÇ MüÐ iÉlÉZuÉÉWû

(x)É pÉÉUiÉÏrÉ MüqmÉlÉÏ MüÐ ÍxÉÇaÉÉmÉÑU zÉÉZÉÉAÉåÇ ²ÉUÉ

AÎeÉïiÉ sÉÉpÉ

31.   Given below is the consumption function in an economy: 6

        C=100+0.5Y

        With the help of a numerical example show that in this economy as
        income increases APC will decrease.

                        OR

        The saving function of an economy is S=-200+0.25Y. The economy is in
        equilibrium when income is equal to 2000 Calculate.

        a.   Investment expenditure at equilibrium level of income.

        b.. Autonomous consumption

        c. Investment multiplier.

IÉÏcÉå AjÉïurÉuÉxjÉÉ qÉåÇ EmÉÉÉåaÉ TüsÉÉ ÌSrÉÉ aÉrÉÉ Wæû:

    $C=100+0.5Y$

CxÉxÉå rÉWû ÍxÉ® MüÐÎeÉL ÌMü AÉrÉ oÉRûlÉå xÉå AÉæxÉiÉ

EmÉÉÉåaÉ mÉëëuÉ×Ì¨É bÉOû eÉÉiÉÏ Wæû |

    AjÉuÉÉ

AjÉïurÉuÉxjÉÉ MüÉ oÉcÉiÉ TüsÉÉ rÉWû Wæû :$S=-200+0.25Y.$

eÉoÉ AÉrÉ 2000 Wæû,

iÉÉå AjÉïurÉuÉxjÉÉ xÉÇiÉÑÍsÉÉ qÉåÇ Wæû ¥ÉÉiÉ MüÐÎeÉL-

A AÉrÉÌlÉuÉåzÉ urÉrÉ qÉåÇ xÉÇiÉÑÍsÉÉ xiÉU MüÐ AÉrÉ

oÉ xuÉÉÉrÉ¨É EmÉÉÉåaÉ

xÉ ÌlÉuÉåzÉ aÉÑhÉMü

32.   Calculate Gross National Product at MP and Personal dis posable income from 6
the following data.   Rs in crores

	Rs in crores
i) Subsidy	40
ii)NFIA	-120
iii)Depreciation	100
iv)Personal Tax	220
v)Saving of private corporations	80
vi)Dividend	40
vii) Indirect Tax	200
viii)Corporation tax	180
ix)Net national disposal income	2000
x) National debt interest	60
xi)Net current transfers from abroad	40
xii) current transfers from government	100
xiii)Miscellaneous receipts of the government administrative departments	60
xiv)Private income	1400
xv)Private final consumption expenditure	760

ÌlÉqlÉÍsÉÎZÉiÉ AÉÆMüÄQûÉåÇ xÉå oÉÉeÉÉU MüÐqÉiÉÉ mÉU
xÉMüsÉ UÉ·íÏrÉ EimÉÉS AÉæU urÉÌ£ü mÉÉrÉÉÉåerÉ AÉrÉ ¥ÉÉiÉ
MüÐÎeÉL   :

		Rs in crores
1	xÉWûûÉrÉiÉÉ	40
2	ÌuÉSåzÉÉåÇ xÉå AÎeÉïiÉ zÉÑ® xÉÉkÉlÉ A	-120
3	qÉÔsrÉ ¾ûûÉxÉ	100
4	urÉÌ£üaÉiÉ MüU	220
5	ÌlÉeÉÏ ÌlÉÉÉqÉ MüÐ oÉcÉiÉ	80
6	sÉÉÉpÉÉÇzÉ	40
7	AmÉëirÉ¤ÉMüU	200
8	ÌlÉÉÉqÉ MüU	180
9	zÉÑ® UÉ·íÏrÉ mÉÉrÉÉÉåerÉ AÉrÉ	2000
10	UÉ·íÏrÉ GhÉ orÉÉeÉ	60
11	ÌuÉSåzÉÉåÇ xÉå zÉÑ® cÉÉsÉÔ WûûxiÉÉÉÇiÉUhÉ	40
12	xÉUMüÉUxÉå cÉÉsÉÔ WûûxiÉÉÉÇiÉUhÉ	100
13	xÉUMüÉUÏ ÌuÉpÉÉaÉÉåÇ xÉå AlrÉ mÉÉëÉÎmiÉrÉÉÉð	60
14	ÌlÉeÉÏ AÉrÉ	1400
15	ÌlÉeÉÏ AÇÌiÉqÉ EmÉÉåÉåaÉ urÉrÉ	760

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