

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 vagaaOM ko saBal 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 nahl haonaa caaihe.
5. p`Sna saM#yaa 11 - 13 AaOr 27 - 29 Bal laGau~a%mak p`Sna hOM. ijanamao p`%yaok ko 4 AMk hO. [naka]%tr saamaanyat: 70 Sabdao sao AiQak nahl 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 salmaa ko AMtga-t hl haonaa caaihe.

SECTION - A

- | | | |
|--|--|---|
| 1. | Define revenue.
आगम की परिभाषा दीजिए । | 1 |
| 2. | What is demand schedule?
qÉÉðáÉ AIÉÑxÉÔcÉİ MüÉ YrÉÉ AjÉİ Wæû? | 1 |
| 3. | Define budget set.
oÉeÉOû saOT MüĐ mÉËUpÉÉwÉÉ SİİeÉL? . | 1 |
| 4. | Give meaning for marginal cost.
xÉİqÉÉÇiÉ sÉÉaÉiÉ MüÉ YrÉÉ AjÉİ Wæû? | 1 |
| 5. | What is meant by Oligopoly.
AsmÉÉÍkÉMüÉU MüÉ YrÉÉ AjÉİ Wæû? | 1 |
| 6. | Explain the properties of Indifference curve.
iÉOûxjÉÉ uÉçü Mäü sÉæÉhÉ MüĐ urÉÉZrÉÉ MüĐİeÉL | 3 |
| 7. | Explain Law of Supply.
mÉÖİiÉİMäü İİÉrÉqÉ MüĐ mÉËUpÉÉwÉÉ SİİeÉL | 3 |
| 8. | The price elasticity of demand of a good is (-1). At a given price the consumer buys 60 units of the good. How many units the consumer will buy if price falls by 10%.
LMü uÉxiÉÑ MüĐ qÉÉÆaÉ MüĐ MüĐqÉiÉ sÉÉâcÉ (-1) Wæû
EmÉpÉÉâ£üÉ CxÉ uÉxiÉÑ MüĐ 60 CMüÉCrÉÉÆ ZÉUİSiÉÉ Wæû
uÉxiÉÑ MüĐ MüĐqÉiÉ 10% İaÉU eÉÉİÉâ xÉâ EmÉpÉÉâ£üÉ
İMüiÉİİİ qÉÉŞÉÉ ZÉUİSâaÉÉ? | 3 |
| 9. | Distinguish between explicit cost and implicit cost Give examples for each.
xmÉ¹ uÉ AxmÉ¹ sÉÉaÉiÉÉâÇ qÉâÇ pÉâS MüUâÇ LMü ESÉWûUhÉ SİİeÉL | 3 |
| 10. | Explain the implication of product differentiation as a feature of monopolistic competition. | 3 |
| OR | | |
| Explain the implication of homogenous product as a feature of perfect competition | | |
| LMüÉÍkÉMüÉËUMü mÉëİiÉrÉÉâİaÉiÉÉ Mäü AÇiÉaÉİİÉ EimÉÉS
İuÉpÉâS İuÉzÉâwÉiÉÉ Mäü mÉëpÉÉUÉ xÉqÉfÉÉCL
AjÉuÉÉ
mÉÔhÉİ mÉëİiÉrÉÉâİaÉiÉÉ Mäü AÇiÉaÉİİÉ oÉQûİ xÉÇZrÉÉ qÉâÇ
İuÉçâüiÉÉ İuÉzÉâwÉiÉÉ Mäü mÉëpÉÉUÉ xÉqÉfÉÉCL | | |
| 11. | In case of a product like diesel which is sold by government at a subsidised | 4 |

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

Disala ek vastu hOM jahaÐ sarkar Aaiqa-k sahayata dotl hO [sasao sarkar laagat baZtl hO.eosaa]paya bata[e ijasasao sarkar kl laagat mao kmal hao AaOr Aaiqa-k sahayata Bal na GaTo.

12. Explain the central problem of an economy i) on distribution of income 4
ii) Technique of production
AÉrÉ MüÐ ìuÉiÉUhÉ AÉæU EimÉÉSèiÉ MüÐ iÉMüliÉiMü mÉU
AjÉiurÉuÉxjÉÉ MüÐ MâüliSîrÉ 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 sÉÉâcÉ MüÉâ mÉëpÉÉìuÉiÉ MüUIÉâ uÉÉsÉ â cÉÉU
MüÉUMü oÉiÉÉCL AÉæU LMü MüÉ uÉhÉiÉ MüÐîeÉL |
AjÉuÉÉ)
qÉÉÆaÉ qÉâÇ mÉËUuÉiÉiÉ AÉæU qÉÉðaÉi aÉD qÉÉ§ÉÉ qÉâÇ
mÉËUuÉiÉiÉ qÉâÇ pÉâS MüÐîeÉL |
14. Explain the relationship between TPP and MPP with the help of a schedule by 6
keeping one input as constant.
LMü AÉaÉiÉ ÌxjÉU UZÉMüU, MÑüsÉ pÉÉæliÉMü EimÉÉS AÉæU
xÉiqÉÉliÉ pÉÉæliÉMü EimÉÉS qÉâÇ xÉqoÉlkÉ
AlÉNxEÔcÉi MüÐ xÉWûÉrÉiÉÉ xÉâ xÉqÉfÉÉCL |
15. What is equilibrium price? If there is simultaneous decrease in demand and 6
supply what will happen to equilibrium price ?
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
xÉÇiÉÑsÉiÉ MüÐqÉiÉ YrÉÉ Wæû?rÉiS qÉÉðaÉ AÉæU mÉÔliÉi
qÉâÇ MüqÉi LMü xÉÉjÉ WûÉâiÉi Wæû iÉÉâ xÉliÉÑsÉiÉ MüÐqÉiÉ
mÉU YrÉÉ mÉëpÉÉuÉ mÉQâûaÉÉ?
(AjÉuÉÉ)
LMü uÉxiÉÑ MüÐ qÉÉðaÉ AÉæU mÉÔliÉi qÉâÇ LMü xÉÉjÉ uÉxî®
WûÉâiÉi Wæû, xÉliÉÑsÉiÉ MüÐqÉiÉ qÉâÇ mÉËUuÉiÉiÉ
WûÉâaÉÉ rÉÉ MüÉâD mÉËUuÉiÉiÉi IÉWûi Wæû, UâZÉÉicÉ§É MüÐ
xÉWûÉrÉiÉÉ xÉâ xÉqÉfÉÉCL |
16. What are the conditions of consumer equilibrium? The price of Ice cream is 6
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.
EmÉpÉÉâËüÉ Mâü xÉliÉÑsÉiÉ MüÐ zÉiÉi xÉqÉfÉÉCL | LMü
AÉCxÉçüiqÉ MüÐ MüÐqÉiÉ Â 30 Wæû, qÉiÉÉ IÉâ iÉiÉu
AÉCxÉçüiqÉ ZÉÉD jÉi | xÉiqÉÉliÉ EmÉrÉÉâlaÉiÉÉ 90 rÉ ÔOûiqÉ
Wæû LMü ÂmÉrÉâ MüÐ xÉiqÉÉliÉ EmÉrÉÉâlaÉiÉÉ 3 Wæû | YrÉÉ
ExÉâ AÉæU ZÉÉiÉÉ cÉÉiWûL rÉÉ IÉWûiÇ? 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 स्रोत 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 cheaper
using the foreign exchange market.

ivakasaqamak yaajanaaAaoM ko ilae ek doSa kao
Aayaat ko ilae pUĐjal kl ja\$rt hO ivadoSal
ivanayama baajaar inayaM~Na Wara kma dama
maoM Aayaat krnao ka ek]paya bata[e.

20. What is meant by BOT? 1
urÉÉmÉÉU zÉâwÉ YrÉÉ Wæû?

21. What is Parity value? 1
xÉqÉiÉÉ qÉÉiÉ MüÉ YrÉÉ AjÉi Wæû?

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

YrÉÉ AjÉiurÉuÉxjÉÉ MüĐ xÉÇiÉÑsÉiÉ ÎxjÉliÉ qÉâÇ AsmÉ
UÉâeÉaÉÉU MüĐ ÎxjÉliÉ WûÉâ xÉMüiÉi Wæû ?urÉÉZrÉÉ MüĐÎeÉL|

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.

rÉiS ÎiÉuÉâzÉ qÉâÇ uÉxÎ® Å.200 MüUÉâQû WæûAÉæU UÉi'irÉ
AÉrÉ qÉâÇ uÉxÎ® Å.1000 MüUÉâQû Wæû. xÉiqÉÉÇiÉ mÉëuÉxli"É
EmÉpÉÉâÉ MüÉ qÉÔsrÉ ÎiÉMüÉiÉsÉL|

24. How does money solve the problem of double coincidence of wants 3
qÉÑSiÉ SÉâWûUâ xÉÇrÉÉâÉ MüĐ MüiPûiÉÉCrÉÉð MæüxÉâ SÖU
MüUiÉi Wæû?

25. Distinguish between capital expenditure and revenue expenditure in govt 3
budget.

xÉUMüÉUï oÉeÉOû qÉâÇ mÉÔðeÉi urÉrÉ AÉæU UÉeÉxuÉ urÉrÉ
MüÉ AÇiÉU xmÉ' MüĐÎeÉL |

OR AjÉuÉÉ

How does budgetary policy help to reduce unemployment and price instability

oÉeÉOû iÉiÉiÉ oÉâUÉâeÉaÉÉUï MüqÉ MüUiÉâ iÉjÉÉ MüĐqÉiÉ

ÎxjÉUiÉÉ qÉâÇ MæüxÉâ xÉWûÉrÉMü 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)

ÌÉqÍÉÍŹÉÍÉ ÁÉÆMüQÛÉâÇ xÉâ UÉ·íŕÉ ÁÉŕÉ ¥ÉÉÍÉ MüĐÍeÉL-

1 AcÉsÉ mÉÔðeÉĬ MüÉ EmÉpÉÉâaÉ	2217
2 zÉÑ® AmÉëirÉªÉ MüU	3527
3 ÁÉŕÉÉiÉ	1806
4 ÌÉŕÉÉiiÉ	1771
5 xOÛÉMü qÉâÇ mÉËUuÉiÉĬ	1039
6 xÉMüsÉ ĨxjÉU mÉÔðeÉĬ ÌÉqÉÉihÉ	6305
7 xÉUMüEUĬ AÇliÉqÉ EmÉpÉÉâaÉ urÉŕÉ	29163
8 ÌÉeÉĬ AÇliÉqÉ EmÉpÉÉâaÉ urÉŕÉ	3801
9 ÌÉSâzÉÉâÇ xÉâ AĬeÉiiÉ zÉÑ® xÉÉkÉiÉ ÁÉŕÉ	(-284)

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

UÉeÉxuÉ bÉÉOÛÉ YŕÉÉ Wæû ?CxÉMüÉ YŕÉÉ mÉëpÉÉuÉ
mÉÄQûiÉÉ Wæû ?CxÉâ MüqÉ MüUIÉâ Mäü ÍsÉL xÉÑfÉÉuÉ SĬeÉL |

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

MäüSĬŕÉ oÉæÇMü qÉâÇ xÉUMüÉU MüÉ oÉæÇMüU MüÉ MüÉŕÉi
xmÉ¹ MüĐÍeÉL |

AjÉuÉÉ

ËUeÉuÉi oÉæÇMü qÉâÇ xÉÉZÉ ìÉrÉÇŞÉhÉ qÉâÇ oÉæÇMü SU
MüĐ pÉÔÍqÉMüÉ xmÉ¹ MüĐÎeÉL |

29. Explain the components of capital account in BOP 4

pÉÑaÉiÉÉiÉ zÉâwÉ qÉâÇ mÉÔðeÉİ ZÉÉiÉâ Mâü bÉOÛMü xmÉ¹
MüĐÎeÉL |

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

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

ÏÉqlÉísÉîZÉiÉ qÉSâÇ pÉÉUiÉ MüĐ bÉUâsÉÑ xÉÉkÉiÉ AÉrÉ qÉâÇ
zÉÉÍqÉsÉ Wæû rÉÉ iÉWûİÇ? AmÉiÉâ E¹ÉU MâüİsÉL MüÉUhÉ SİİeÉL
|

(A) pÉÉUiÉ qÉâÇ ìuÉSâzÉİ oÉæÇMüÉâÇ MüĐ zÉÉZÉÉAÉâÇ ²ÉUÉ
AİeÉİÉ sÉÉpÉ

(oÉ) pÉÉUiÉ qÉâÇ AqÉâËUMüiÉ UÉeÉSÖiÉ qÉâÇ MüÉrÉiUiÉ
pÉÉUiÉİrÉ ìÉuÉÉÍxÉrÉÉâÇ MüĐ iÉiÉZuÉÉWû

(x)É pÉÉUiÉİrÉ MüqmÉiÉİ MüĐ ÍxÉÇaÉÉmÉÑU zÉÉZÉÉAÉâÇ ²ÉUÉ
AİeÉİÉ 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.

ÍÉİcÉå AjÉiurÉuÉxjÉÉ qÉåÇ EmÉpÉÉåaÉ TüsÉÍÉ İSrÉÉ aÉrÉÉ Wæû:

$$C=100+0.5Y$$

CxÉxÉå rÉWû ÍxÉ® MüĐÍeÉL İMü AÉrÉ oÉRûÍÉå xÉå AÉæxÉÍÉ
EmÉpÉÉåaÉ mÉëuÉxì"É bÉOû eÉÉÍÉİ Wæû |

AjÉuÉÉ

AjÉiurÉuÉxjÉÉ MüÉ oÉcÉÍÉ TüsÉÍÉ rÉWû Wæû :S=-200+0.25Y.
eÉoÉ AÉrÉ 2000 Wæû,

iÉÉå AjÉiurÉuÉxjÉÉ xÉÇiÉÑsÉÍÉ qÉåÇ Wæû ¥ÉÉiÉ MüĐÍeÉL-
A AÉrÉİÉuÉåzÉ urÉrÉ qÉåÇ xÉÇiÉÑsÉÍÉ xiÉU MüĐ AÉrÉ
oÉ xuÉÉrÉ"É EmÉpÉÉåaÉ
xÉ İÉuÉåzÉ aÉÑhÉMü

32. Calculate Gross National Product at MP and Personal disposable income from the following data. 6

	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

ÌÉqÍÍsÊZÊiÉ AÉÆMüÄQûÊâÇ xÉâ oÉÉeÉÉU MüDqÉiÉ mÉU
xÉMüsÉ UÉ·ířÉ EimÉÉS AÉæU urÉÌüü mÉërÉÉâerÉ AÉrÉ ¥ÉÉiÉ
MüDÍeÉL :

		Rs in crores
1 xÉWûÉrÉiÉÉ	40	
2 ÌÉSâzÉÉâÇ xÉâ AÍeÉiiÉ zÉÑ® xÉÉkÉiÉ A		-120
3 qÉÔsrÉ ¾ûÉxÉ	100	
4 urÉÌüüaÉiÉ MüU	220	
5 ÌÉeÉÏ ÌÉaÉqÉ MüD oÉcÉiÉ		80
6 sÉÉpÉÉÇzÉ		40
7 AmÉëirÉæÉMüU	200	
8 ÌÉaÉqÉ MüU	180	
9 zÉÑ® UÉ·ířÉ mÉërÉÉâerÉ AÉrÉ		2000
10 UÉ·ířÉ GhÉ orÉÉeÉ	60	
11 ÌÉSâzÉÉâÇ xÉâ zÉÑ® cÉÉsÉÔ WûxiÉÉÇiÉUhÉ		40
12 xÉUMüÉUxÉâ cÉÉsÉÔ WûxiÉÉÇiÉUhÉ		100
13 xÉUMüÉUÏ ÌÉpÉÉaÉÉâÇ xÉâ AlrÉ mÉëÉÍmiÉrÉÉð		
60		
14 ÌÉeÉÏ AÉrÉ	1400	
15 ÌÉeÉÏ AÇÌiÉqÉ EmÉpÉÉâaÉ urÉrÉ		760
