

**Model Question Paper 2021-2022**

**Economics**

**Class- XII**

**Time-3: 15 Hours**

**MM:100**

Note- First 15 minutes are allotted for the candidates to read the question paper.

Instructions:

- (i) All questions are compulsory. Marks allotted to each question are given against it. Question Nos. 1 to 10 are multiple choice type. Question Nos. 11 to 18 are very short answer type to be answered in 50 words each. Question Nos. 19 to 24 are short answer type to be answered in 150 words each. Question Nos. 25 to 27 are long answer type to be answered in 300 words each.

- |   |   |
|---|---|
| 1- Which of the following is studied under Micro Economics? | 1 |
| a) Individual Unit  |   |
| b) Economic Aggregate                                       |   |
| c) National Income  |   |
| d) None of these.   |   |
| 2- When marginal utility is zero, total utility is -        | 1 |
| a) decreased  |   |
| b) increased  |   |
| c) maximum  |   |
| d) minimum  |   |
| 3- What happens, when production is shut down?              | 1 |
| a) Fixed cost increases.                                    |   |
| b) Variable cost is reduced.                                |   |
| c) Variable cost becomes zero.                              |   |
| d) Fixed cost becomes zero.                                 |   |
| 4- Marginal revenue is the rate of variable in-             | 1 |
| a) Total revenue  |   |
| b) Total cost   |   |
| c) Average revenue  |   |
| d) Average cost.  |   |
| 5- In long-run, normal price is equal to-                   | 1 |
| a) Marginal utility   |   |
| b) Average cost   |   |
| c) Productive expenditure                                   |   |
| d) None of the above.                                       |   |
| 6- When supply increases, price-                            | 1 |
| a) will not be effected                                     |   |

- b) will increase
  - c) will decrease
  - d) none of the above.
- 7- Allahabad bank is- 1
- a) Foreign exchange bank
  - b) Commercial bank
  - c) Central bank
  - d) None of the above.
- 8- Credit money expands, when ERR is - 1
- a) reduced
  - b) increased
  - c) fixed
  - d) none of the above.
- 9- Functions of money are- 1
- a) Medium of exchange
  - b) Unit of account
  - c) Store of value
  - d) All of the above.
- 10- "Money is the pivot around which the whole economic science clusters." is said by- 1
- a) Prof. Pigou
  - b) Prof. Marshall
  - c) Prof. Keynes
  - d) Prof. Ham.

### (Very Short Answer Type Questions)

- 11- What is the main difference between Macroeconomics and Microeconomics? 3
- 12- Define the meaning of production in Economics. 3
- 13- Give the definition of production function. 3
- 14- What is the meaning of marginal cost? 3
- 15- What kind of relationship is found between average cost and marginal cost? 3
- 16- Explain 'land revenue'. 3
- 17- Write a note on 'state excise duty'. 3
- 18- What do you mean by revenue expenditure? 3

**(Short Answer Type Questions)**

- 19- What are the factors that influence 'Demand'? 6
- 20- What are the total fixed cost, total variable cost and total cost of a firm? 6
- 21- What will happen if the price prevailing in the market. 6
- (a) More than equilibrium cost.
- (b) Less than equilibrium cost.
- 22- What are the functions prohibited by the Reserve Bank of India? 6
- 23- Define Budget. How many kinds of budget are there? 6
- 24- What are the steps taken by the government to solve balance of payments. 6

**(Long Answer Type Questions)**

- 25- Explain consumer equilibrium with the help of indifference curve. 10
- OR

What do you understand by the consumer budget set ? Give an example. 10

- 26- What is National Income? Explain the basic concepts of National Income with example. 10

OR

What are the difficulties in the measurement of National Income? 10

- 27- Explain the established theory of employment . In this context, Write the main points of ' Prof. Say' s Law of Market'. 10

OR

Explain the relationship between marginal consuming nature and marginal saving nature? 10