

MPBSE Class 12th Economics - 2023 Question Paper

Time Allowed :3 Hour | Maximum Marks :80 | Total Questions :23

General Instructions

Read the following instructions very carefully and strictly follow them:

1. Attempt all questions.
2. Read the instructions carefully.
3. Marks allotted to each question are indicated against it.

1. (i) Opportunity cost is:

- (1) Numbers of units sacrificed
- (2) Numbers of units gained
- (3) Cost of next best alternative
- (4) None of these

1. (ii) Non-tax revenue is:

- (1) Income tax
- (2) Corporate tax
- (3) Dividend
- (4) Debt (borrowings)

1. (iii) Keynes theory is associated with:

- (1) Effective demand
- (2) Propensity to consume
- (3) Propensity to saving
- (4) All the above

1. (iv) The slope of the budget line is:

- (1) $-P_2/P_1$
- (2) P_1/P_2

- (3) P_2/P_1
- (4) P_1/P_2

1. (v) Which of the following agency is responsible for using Rs. 1 currency note in India?

- (1) Reserve Bank of India
- (2) Ministry of Finance
- (3) Ministry of Commerce
- (4) Niti Ayog

1. (vi) Which cost cannot be zero?

- (1) Marginal cost
- (2) Fixed cost
- (3) Variable cost
- (4) Opportunity cost

1. (vii) Micro economics is related to -

- (1) Individual quantities
- (2) Aggregate quantities
- (3) Aggregate debts
- (4) None of these

2. (i) Standard rates of GST are _____.

2. (ii) The _____ are factors of production.

2. (iii) In perfect competition, producers should sell _____ product in the market.

2. (iv) _____ price is a fluctuating phenomenon.

2. (v) National income is computed _____.

2. (vi) M_1 and M_2 are known as _____ money.

3. Write True or False:

(i) Investment is defined as addition to the stock of physical capital.

(ii) Foreign Exchange Rate also called Forex Rate.

(iii) Law of demand is also applicable on Giffen's goods.

(iv) Fixed cost is also known as supplementary cost.

(v) Variable cost can be zero.

(vi) The perfect competition consists of a large number of buyers and sellers.

(vii) Full employment never means zero unemployment.

4. Match the columns:

(i) Flow

(ii) MPS

(iii) Inferior goods

(iv) Stock

(v) The slope of budget line

(vi) APC

'A' and 'B' columns:

'A'

(i) Flow

(ii) MPS

(iii) Inferior goods

(iv) Stock

- (v) The slope of budget line
- (vi) APC

'B'

- (a) Negative
- (b) Coarse cereals
- (c) Marginal Propensity to Consume
- (d) 1 - APC
- (e) Point of time
- (f) Period of time
- (g) C/Y

5. Answer in one sentence:

- (i) What is errors and omissions?
- (ii) Who determine the Minimum Support Price?
- (iii) What is inflation?
- (iv) Write the name of method of National Income.
- (v) What is marginal propensity to consume?
- (vi) What is ex ante investment?

6. (i) What is ceiling price?

OR

6. (ii) What is 'Invisible Hand'?

7. (i) What is the market equilibrium price?

OR

7. (ii) What is marginal revenue product of labour?

8. (i) What is consumption goods?

OR

8. (ii) What is capital goods?

9. (i) What is personal income?

OR

9. (ii) What is Net National Product?

10. (i) What is SLR?

OR

10. (ii) What is High Powered Money?

11. (i) What is consumption function?

OR

11. (ii) Write two components of aggregate demand.

12. (i) Write two reasons of deficient demand?

OR

12. (ii) Write the meaning of excess demand.

13. (i) What is effective demand?

OR

13. (ii) What is the assumption of ceteris paribus?

14. (i) What is the Market Economy?

OR

14. (ii) What is positive economics analysis?

15. (i) What is profit?

OR

15. (ii) What is average product?

16. (i) Write three relationships between total utility and marginal utility.

OR

16. (ii) Explain briefly the perfectly elastic demand and perfectly inelastic demand.

17. Compute the total revenue, marginal revenue and average revenue schedules in the following table. Market price of each unit of the good is Rs. 10.

Quantity Sold	TR	MR	AR
0			
1			
2			
3			
4			
5			
6			

OR

17. Write three conditions of profit maximisation.

18. What role of RBI is known as 'lender of last resort'?

OR

18. Write three policy tools to control money supply.

19. Write distinguish between substitutes goods and complementary goods.

OR

19. Write any three factors affecting a commodity of demand.

20. A firm's SMC schedule is shown in the following table. The total fixed cost of the firm is Rs. 100. Find the TVC, TC and SAC schedules of the firm.

Q	SMC	MC
0	500	
1	500	
2	300	
3	200	
4	300	
5	500	
6	800	

OR

20. Write four distinguish between total variable cost and total fixed cost.

21. Distinguish between revenue expenditure and capital expenditure.

OR

21. What is the meaning of deficit budget? Explain its types briefly.

22. Write 4 distinguish between balance of trade and balance of payment.

OR

22. Write in brief two merits and two demerits of Fixed Exchange Rate.

23. Consider the demand for a good. At price 5, the demand for the goods is 15 units. Suppose the price of the goods increases to Rs. 7 and as a result, the demand for the goods falls 12 units. Calculate the price elasticity.

OR

23. Explain with diagram of the law of demand, in brief.
