UP Board Class 12 Economics 2026 (Set 329 DG) Question Paper

collegedunia

General Instructions

(i) This question paper contains 25 questions. All questions are compulsory.

(ii) It comprises 10 single-correct multiple-choice questions.

(iii) Attempt every question; detailed solutions are provided in the companion solutions booklet.

1. How does Robbins define Economics?

(A) Science of market

(B) Science of business

(C) Science of life

(D) Science of scarcity

2. Inventory is a .... concept whereas the change in inventory is a .... concept.

(A) stock, flow

(B) flow, stock

(C) stock, stock

(D) flow, flow

3. The consumption function curve is

(A) Upward sloping

(B) Downward sloping

(C) Parallel to the x-axis

(D) Parallel to the y-axis

4. Which of the following makes a financial institution a bank?

(A) Accepting deposits

(B) Lending

(C) Accepting demand deposits

(D) Accepting time deposits

5. Decrease in Cash Reserve Ratio will lead to

(A) fall in aggregate demand

(B) rise in aggregate demand

(C) no change in aggregate demand

(D) fall in general price level

6. The shape of average revenue curve in monopoly is

(A) Upward rising

(B) U-shaped

(C) Downward sloping

(D) S-shaped

7. Fiscal deficit in a government budget refers to

(A) Shortfall in taxes

(B) Disinvestment requirement

(C) Shortfall in disinvestment

(D) Borrowing

8. Steps taken through the government budget can influence

(A) Inequalities

(B) Allocation of resources

(C) Inflation

(D) All of these

9. When exchange rate in terms of domestic currency rises

(A) Exports become cheaper

(B) Imports become cheaper

(C) Exports become costlier

(D) No effect on imports

10. Balance of trade equals

(A) Exports less imports

(B) Exports of goods less imports of goods

(C) Exports of services less imports of services

(D) None of these

11. Distinguish between Micro-economics and Macro-economics.

12. What do you mean by substitute goods? Give examples of two goods which are substitutes of each other.

13. Why is the budget line downward sloping? Explain.

14. What is the difference between planned and unplanned inventory accumulation? Explain.

15. Explain the components of money supply.

16. General public are not allowed to open accounts in the central bank. Does it mean that the central bank does not perform any commercial banking activity? Explain.

17. The Marginal Rate of Substitution (MRS) between perfectly substitute goods remains constant. Explain with diagram.

18. The following table shows the Total Cost Schedule of a firm. Calculate Total Fixed Cost, Total Variable Cost, Average Variable Cost, Average Cost and Marginal Cost:

Q: 0, 1, 2, 3, 4, 5, 6

Total Cost: 10, 30, 45, 55, 70, 90, 120

19. Write down any three identities of calculating the gross domestic product of a country by the three methods of estimating national income.

20. Write the relationship between the revenue deficit and the fiscal deficit. Are fiscal deficits inflationary?

21. What are official reserve transactions? Explain their importance in the balance of payments.

22. Describe Total Revenue, Average Revenue and Marginal Revenue.

23. What are the different types of costs (fixed, variable, total, average, marginal) and how are they related? Explain with the help of diagrams.

OR

What do you understand by market supply? Describe the determinant elements of supply.

24. What is consumer's equilibrium? Explain the conditions for achieving consumer's equilibrium using the concept of indifference curves and budget lines. Illustrate with a diagram.

OR

Explain six factors that affect market demand for a commodity.

25. What is deficient demand in an economy? Explain the measures to control it.

OR

Write the meaning of full employment. Mention the factors responsible for full employment.