

Karnataka Board 2026 Class 12 Economics Question Paper

Time Allowed :3 Hour	Maximum Marks :80	Total Questions :43
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General Instructions

Read the following instructions very carefully and strictly follow them:

- Write the question numbers **legibly** in the margin.
- Answer for the questions should be continuous.
- For PART – 'A' questions, only the first written answers will be considered for evaluation.
- In PART – 'F', alternative questions are given for visually challenged students.

1. Ordinal utility analysis expresses utility in

- (A) Numbers
 - (B) Returns
 - (C) Ranks
 - (D) Ratios
-

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-

3. Find the Total Cost, where TFC is Rs. 200 and TVC is Rs. 225.

- (A) 125
 - (B) 225
 - (C) 425
 - (D) 25
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3. Net National Product at factor cost is also known as

- (A) National Income
 - (B) Per Capita Income
 - (C) Domestic Income
 - (D) Personal Income
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4. Aggregate monetary resources are also known as

- (A) M4
 - (B) M3
 - (C) M2
 - (D) M1
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5. Which of the following is an example for “Paper tax”?

- (A) Income tax
 - (B) Excise tax
 - (C) Customs duty
 - (D) Wealth tax
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6. In reality, all economies are _____ economies.

7. _____ is the set of all possible combinations of two inputs that yield the same maximum possible level of output.

8. Price taking behaviour is the distinguishing characteristic of _____ market.

9. The principal motive for holding money is to carry out _____.

10. _____ is defined as addition to the stock of physical capital.

11. Match the following

- | A | B |
|-------------------------|---------------------------------|
| (a) Linear demand curve | (i) TR – TC |
| (b) $\pi =$ | (ii) Dirty floating |
| (c) Adam Smith | (iii) Stock Variable |
| (d) Inventory | (iv) $d(p) = a - bp$ |
| (e) Managed floating | (v) Operation of invisible hand |
| | (vi) Wage |
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12. MRS – Expand.

13. What is Supply?

14. Give the meaning of Exports.

15. Mention any one fiscal variable which influence aggregate demand.

16. What is appreciation of domestic currency?

17. List out the basic economic activities.

18. List out the determinants of demand.

19. What are long run costs?

20. Explain the law of demand and the assumptions of the law of demand.

21. Explain the law of supply.

22. Explain the methods of measuring price elasticity of demand.

23. What are the phases of the business cycle? Explain.

24. If MPC is equal to 0.60, find the value of MPS and the value of the multiplier.

25. Explain the functions of commercial banks.

26. What are the objectives of fiscal policy?
