

**CHOITHRAM SCHOOL MANIKBAGH INDORE**

**CLASS XII-Session: 2017-18**

SUBJECT- ECONOMICS

ASSIGNMENT No. – IV

Scheduled Date: 08/12/2017

Submission Date – 15/12/17

Q.no	Questions	Marks
1.	What is the contribution of happy families, who maintains cordial relations with one and all, towards GDP, as an indication of welfare? Explain.	1
2.	Introduction of ATM outlets has brought about wasteful expenditure. Justify/ Refute..	1
3	Tax rates on higher income groups have been increased. Which economic value does it reflect? Explain.	1
<b>Very Short Answer</b>		
4	Machine purchased is always a final good. Do you agree? Give reason for your answer.	2
5	“A rise in BPO Service in the Economy can be considered as a good source of supply of Foreign Currency” Justify.	2
6	Mention any one positive externality arising from a morning walk in a park in the neighbourhood.	2
7	If the Real GDP is Rs. 300 and Nominal GDP is Rs. 330. (Calculate Price Index.(Base Year=100)	2
<b>Short Answer</b>		
8	A Country’s balance of Trade is Rs.(-)60 crores and values of import of good is Rs. 100 Crores. Find the value of Exports of goods.	3
9	Explain how distribution of Gross Domestic Product is limitation in taking GDP as an Index of Welfare.	3
10	If MPS is 1 , What is the value of Multiplier? What can you say about the change in National Income, given change in Investment.	3
<b>Long answer</b>		
11	From the Saving Function, find savings from the following: Autonomous Consumption=(-)100 MPS=0.4 National Income=Rs. 500	5
12	Calculate $NDP_{fc}$ by Expenditure Method. 1. Value of Output in Economic Territory =4100Cr. 2. Net Imports =(-)50Cr. 3. Intermediate purchases by Primary sector =600Cr. 4. Intermediate purchase by Secondary Sector =700Cr. 5. Government Final Consumption Expenditure =400Cr. 6. Net Domestic Fixed Capital Formation =200Cr. 7. Intermediate purchases by the tertiary sector =700Cr. 8. Net change in stocks = (-)50Cr. 9. Indirect Taxes =100Cr. 10. Consumption of fixed capital =50Cr.	5