SAMPLE PAPER-2015

CLASS-XII

SUB: ECONOMICS

Time Allowed: 3.00 hrs. **Max. Marks – 100**

General instructions: -

1. All questions in both the sections are compulsory.
2. Marks for questions are indicated against each.
3. Questions No. 1-5 and 17-21 are very short answer questions carrying 1 mark each. They are required to be answered in one sentence each.
4. Questions No. 6-10 and 22-26 are short-answer questions carrying 3 marks each. Answers to them should normally not exceed 60 words each.
5. Questions No. 11-13 and 27-29 are also short-answer questions carrying 4 marks each. Answers to them should normally not exceed 70 words each.
6. Questions No. 14-16 and 30-32 are long-answer questions carrying 6 marks each. Answers to them should normally not exceed 100 words each.
7. Answers should be brief and to the point and the above word limits should be adhered to as far as possible.

(SECTION – A: MICRO- ECONOMICS)

Q.1. Give two examples of micro economic studies. (01)

Q2. Define an indifference curve. (01)

Q3. When is the demand for a good said to be perfectly inelastic? (01)

Q4. What is meant by producer's equilibrium? (01)

Q5. In Which market form can a firm not influence the price of the product? (01)

Q.6. Explain the central problem' "for whom to produce'. (03)

Q.7. Explain the law of demand with the help of a demand schedule. (03)

Q.8. Distinguish between 'increase in quantity demanded' and 'increase in demand'. (03)

<u>OR</u>

Explain briefly any three causes of 'decrease in demand'

Q.9. From the following cost schedule of a firm, calculate marginal cost and average variable cost at each level of output. (03)

Output (units)	1	2	3
Total cost (Rs.)	80	96	120
Average fixed cost(Rs.)	60	30	20

Q.10. Explain the features of oligopoly market. (03)

Q.11. The price elasticity of demand of a commodity is (-) 1.5 . When its price falls by Rs. 1 per units its quantity demanded rises by 3 units. If the quantity demanded before the price change was 30 units, what was the price at this demand? Calculate. (04)

Q.12. Explain the relationship between Marginal product (M.P.) and average product (A.P.) with the help of a diagram. (04)

<u>OR</u>

Briefly explain any four factors affecting elasticity of supply.

Q13. Complete the following table: (04)

Output (Units)	Average Revenue (Rs.)	Marginal Revenue (Rs.)	Total Revenue (Rs.)
1	-	15	-
2	-	-	26
3	11	-	-
4	-	3	-

Q14. What is consumer's equilibrium? Explain consumer's equilibrium with the help of indifference curve Analysis approach. Use diagram. (06)

Q15. Explain the law of returns to a factor with the help of total product and marginal product schedule. Use diagram also. (06)

Q16. Define equilibrium price. How is it determined? Explain with the help of a schedule and diagram. (06)

OR

Explain through a diagram the effect of a rightward shift of both demand and supply curves on equilibrium price and quantity.

(SECTION – B: MICRO- ECONOMICS)

Q17. State the component of money supply. (01)

Q18. What is the relationship between marginal propensity save and multiplier. (01)

Q19. Give the meaning of deflationary gap. (01)

Q20. Define Tax. (01)

Q21. State two sources of demand for foreign exchange. (01)

Q22. Calculate the net value added at factor cost ($NVA_{f.c}$) from the following data – (03)

Items	Rs. in Crores
1. Purchase of machinery to be used in the production unit.	100
2. Sales	200
3. Intermediate costs	90
4. Exports	50
5. Indirect taxes	12
6. Change in stock	10
7. Subsidy	6
8. Stock of raw material	5

Q23. Explain the main objectives of a Government Budget. (03)

Q24. Explain 'the medium of exchange' function of money. (03)

Q25. State Components of the current account of balance of payment account. (03)

OR

Distinguish between autonomous and accommodating transactions of balance payment account. (03)

Q.-26 Explain the main merits of flexible exchange rate. (03)

Q.27 Explain the 'banker to government' function of a central bank. (04)

Q.28 Giving reason state whether the following statement are true or false. (2,2)

(i) When investment multiplier is 1, the value of marginal propensity to consume (MPC) is zero.

(ii) Sum of marginal propensity to consume and average propensity to save is always equal to 1.

Q.29 Distinguish between: (2,2)

(i) Capital expenditure and revenue expenditure.

(ii) Fiscal deficit and primary deficit.

Q.30 In an economy, the consumption function is C=150+0.6 Y, Where C= Consumption Expenditure, Y= Income and investment expenditure = Rs. 2, 000. Calculate- (06)

(1) Its equilibrium level of national income.

(2) Saving at equilibrium level of national income.

(3) Value of Multiplier.

Q.31 How will you treat the following while estimating national income of India? Give reasons for your answer. (06)

(1) Profits earned by foreign bank in India.

(2) Payment of bonus to school employees.

(3 Scholarship given to Indian students studying in India by a foreign company.

(4) Winning of a lottery prize.

OR

Explain the main steps taken in estimating national income through the income method.

Q.32 From the following data calculate gross national product at factor cost ($GNP_{f.c}$) by (3, 3)

(a) Income Method and

(b) Expenditure method.

	Items ¼	**Rs. in Crore ¼**
1.	Net domestic capital formation	500
2.	Compensation of employees	1850
3.	Consumption of fixed capital	100
4.	Government final consumption expenditure	1100
5.	Private final consumption expenditure	2600
6.	Rent	400
7.	Dividend	200
8.	Interest	500
9.	Net exports	(-) 100
10.	Profit	1100
11.	Net factor income from abroad	(-) 50
12.	Net Indirect taxes	250