Model Question Paper 2

CLASS-XII

SUB-ECONOMICS

Time : 3 Hrs. **Max.Marks : 100**

Instructions :

1. **Q. No. 1 to Q. No. 5 and 17 to 21 are** very short answer type carrying **1 mark each.** Answer these questions in one sentence only.
2. **Q. No. 6 to 10 and Q. No. 22 to 26** are short answer type carrying **3 marks each.** Answer to them should not normally exceed 60 words each.
3. **Q. No. 11 to 13 and Q. No. 27 to 29** are short answer type carrying **4 marks each.** Answer to them should not normally exceed 70 words each.
4. **Q. No. 14 to 16 and Q. No. 30 to 32** are long answer type carrying **6 marks each.** Answer to them should not normally exceed 100 words each.
5. ***There is no words limitation for numerical questions.***

SECTION A

1. What do you mean by economising of resources. (1)
2. Define market equilibrium. (1)
3. Define cost in economics. (1)
4. What will be the shape of demand curve whose elasticity is unit. (1)
5. Define productions function. (1)
6. Distinguish between Implicit and Explicit cost. (3)
7. When price of a commodity decreases by Rs. 4/unit, it quantity demanded becomes 20 units. e.f. ed is –1.

   Calculate quantity demanded at initial price i.e. Rs. 20/unit. (3)
8. "Demand curve under oligapoly is indetermined" Why? (3)

9. Where DDC can shifts leftward? (3)

10. Explain the geometric which shifts demand curve leftward? (4)

11. Explain two causes which shifts demand curve leftward? (4)

12. What is the relation between TR and MR of a firm which sales more output by lowering price (4)

13. Depicts the relation between TC and MC wait it help of diagram (4)

Or

The ratio of price elasticity of supply of goods A and B is 1:1.5. If price of price of A decreases by 20% its supply decreases by 40%. If price of Good B increases from Rs. 10- to Rs. 11 per unit. Calculate % increase in the quanting supplied of Good B.

14. Explain the utility analysis consumer equilibrium in case of two commodity.

15. Explain the relationship between TP and MP with the help of a schedule: (6)

16. A commodity is in market equilibrium. Explain the effects an equilibrium price and output when demand and supply both increases. (6)

Or

Compare the demand curve of monopoly and monopolistic competition market. How the classicity of these demand curve is different from the demand curve of perfect market.

SECTION B

17. Tax is a Revenue receipts. How.

18. Define cash reserve ratio.

19. It MPC = 0, what will be the value of multiplier (K).

20. What do you means by foreign exchange.

21. Define money.

22. An economy is in equilibrium. Its National Income is Rs. 10000 crore. Autonomous consumption expenditure is Rs. 1000. It MPC = .7. Then

what neice be the total consumption expenditure. (3)

23. Explain the relation between 'K' or 'MPC' : (3)

24. Write there components of capital account of balance of payment. (3)

25. Why the demand for forex decreases as its price increases? Explain or explain secondary function money? (3)

26. How GDP has its limit to make indicator of measuring welfare in an economy. (3)

27. What do you mean by fiscal deficit? What are its impact on economy?

Or

Explain the circular flow of income with the help of diagram.

28. In an economy C = 500 + .9Y and I = 1000. Calculate (4)
(i) Equilibrium level of income.
(ii) Consumption at equilibrium level of income.

29. Categorised the following into reserve and capital expenditure. Give reasons.

(a) Govt. expenditure an widow person.

(b) Expenditure by govt. as the construction of a stadium. (4)

30. Complete the task :

Consumption (₹)	Saving(₹)	Income(₹)	MPC(₹)
100	50	150	–
175	75	–	–
250	100	–	–
325	125	–	–

31. How Commercial Bank creats credit? Explain with a numerical example: (6)

Or

What do you means by inflationary Gap? Explain two fiscal measures to eradicate Y. (6)

32. **Calculate – (a) GDPfc** **(b)NNDI** (6)

	Items	**Rs. Crore**
(i)	NIT	260
(ii)	Govt. Final Consumption expenditure	200
(iii)	Profit	180
(iv)	Net Domestic Capital formasion	240
(v)	Charge in Stock	–20
(vi)	Private Final Consumption Expand	1000
(vii)	Net Import	40
(viii)	Net Current Transfer to abroad	20
(ix)	Net factor income to abroad	60
(x)	Gross Domestic Capital Formation	320