

Sample Paper – 2010
Class – XII
Subject – Economics(030)

Time : 3 hrs

M. Marks. 100

General instructions

- a) All questions in both the sections are compulsory.
- b) All parts of question should be answered in one place.
- c) Q1–5 and 17–21 are to be answered in one sentence only.
- d) Q6–10 and 12–26 are to be answered in 60 words each.
- e) Q11–13 and 27–29 are to be answered in 70 words each.
- f) Q14–16 and 30–32 are to be answered in 100 words each.

Section – A

- Q.1 Demand for a product is more than one elastic, What will happen to total expenditure made on that commodity if its price rise?
- Q.2 What causes a downward movement along a demand curve ?
- Q.3 Name the cost which can not affect by increase in output of the firm .
- Q.4 what is meant by MRT?
- Q.5 State any three factors that may causes a increase in supply for a commodity.
- Q.6 Define “Trade Mark” .
- Q.7 Explain “What to produce” with examples .
- Q.8 Define Producer’s equilibrium. State its condition in terms of TC and TR.

OR

State the “Law of Supply” , explain with diagram & schedule.

Q.9 If $E_s=3$ and price of a commodity rises from Rs 20 to Rs 21 per units than supply of commodity rise by 150 units. Calculate its quantity supplied after the increase in price .

Q.10 Complete the following table :

Price (Rs)	Output(Units)	TR(Rs)	MR(Rs)
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7	-	7	-
-	12	-	3
4	-	12	-
-	4	-	-4

Q.11 Explain “Free Entry and Exit of Firms” under the Monopolistic Market .

Q.12 Explain the effects on demand due to change in price of related commodity .

Q.13 If the demand of a commodity increases and supply decreases, what will be effect on equilibrium price and quantity ? explain with diagram .

Q.14 Explain the relationship between AC and MC with help of a diagram.

Q.15 Explain the law of variable proportions with diagram & schedule .

Q.16 Distinguish between Substitute and Complementary goods. Give two examples of each

OR

Distinguish between a Change in quantity demanded and a Change in demand of commodity.

Section B

Q.17 What is Saving Function?

Q.18 What is inflationary gap?

Q.19 Why payment of interest a revenue expenditure?

Q.20 Define Over Draft ?

Q.21 Define flexible exchange rate system.

Q.22 Calculate GNDI and NNDI from following data

(Rs in Crores)

(i)	Consumption of fixed capital	30
(ii)	NNP at MP	240
(iii)	NIT	40
(iv)	Net current transfers paid to the Rest of the world	(-)20
(v)	NFIFA	(-)10

Q.23 Define BOT. What is meant by balance of payments on current account ?

Q.24 State four functions of Money. Describe any two.

Q.25 What are Open Market Operations ? How do these affect availability of credit?

Q.26 Explain Revenue Expenditure and Capital Expenditure with examples.

Q.27 It is planned to increase National Income by Rs 1000 crores. How much increase in investment is required to achieve this goal ? Assume that MPC is 0.75. Calculate

Q.28 What is foreign exchange rate ? Explain the relation between foreign exchange rate and supply of foreign exchange . OR

What is the effect on foreign exchange rate ,when demand of foreign currency increases. Explain with diagram .

Q.29 Explain any two objectives of government budget .

Q.30 Calculate (a) National Income and (b) Personal Disposable Income

Items	Rs in Crores
Compensation of Employees	1200
Rent, Profit, Interest & Corporation Tax	400,800,250,100
Mixed Income	1000
Private Income & NFIFA	3600, (-)50
Net Indirect Taxes	350
Net Exports&Net Retained earnings of Pvt. Enterprises	(-)60 , 200
Direct taxes paid by house hold	150

Q. 31 Explain the problems of “Excess Demand” in an economy with the help of a diagram, how this problems solve by government ?

Q.32 Explain the equilibrium level of income with the help of S & I approach with diagram .

OR

Explain the equilibrium level of income with the help of AS & AD approach with diagrams .

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