**SAMPLE PAPER (2013)**

**CLASS – XII**

**Time: 3 hrs. ECONOMICS M.M:100**

 **General instruction**

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 question & 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 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.

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SECTION A: INTRODUCTORY MICRO-ECONOMICS

1. What would be the shape of demand curve so that total revenue curve is positively

 Straight line originating from origin ? [1]

2. What do you mean by cross demand? [1]

3. Define microeconomics. [1]

4. If the demand curve is rectangular hyperbola, what is its elasticity? [1]

5. Draw the effect of increase in input price on the supply curve? [1]

6. If a product price increases, a family spending on the product has to increase. defend or refute. [3]

7. If the price of a commodity increases from 10 per unit to 20 per unit and es  of the commodity is 2.5, when the seller was supplying 100 units at 10 per unit. Find out new supply after change in price. [3]

8. Explain the relationship between TR and MR under perfect competition with a

 schedule. [3]

OR

 Explain the relationship between TR and MR under non-competitive markets

 with a schedule.

9. A monopoly seller is a price maker with constraint. Explain. [3]

10. Explain the demand by an individual and market demand with the help of a

 schedule. [3]

11. (a)What does a movement from one point to another along PP curve shows?

 (b) What does a rightward shift of PP curve shows? Draw diagram. [2+2]

12.**The Indian Govt. has decided to open Indian economy for FDI in multi-brand**

 **retail sector. There is a chance of foreign investors dumping cheap goods from**

 **China, Taiwan and Korea in shops wiping away the small Indian retail producers**

 **(toys industries eg.Leo toys). In your opinion what would be the consequence**

 **of this decision of Govt. on small Indian retail producers ?**  [4]

13. From the following data relating to the cost of a firm, calculate the AFC &AVC

 Of producing 4 units . [4]

 Output 0 1 2 3 4

 Total cost() 80 102 122 140 156

14. Explain any four factors that influence elasticity of demand for a commodity. [6]

OR

 A consumer wants to consume two goods. The prices of the goods are 4 and

5. The consumer’s income is 20.

 (a) Write down equation of budget line.

 (b) What is the slope of budget line?

 (c) How much Good 1 can the consumer consume if he spends the entire income on that good?

 (d) How does the budget line change if the consumer income increases to 40,

 But prices remain unchanged?

15.(a)Account for the causes of diminishing returns to a variable factor. [3+3]

 (b)Differentiate between collusive& non-collusive oligopoly.

16. In general, how is the equilibrium price &equilibrium quantity determined if both

 demand & supply decrease? [6]

SECTION B: INTRODUCTORY MACRO-ECONOMICS

17. Mention two components of government budget. [1]

18. What is the deficit financing? [1]

19. How much would be the aggregate saving in an economy at zero level of

 income? [1]

20. Give two examples of non-debt capital receipts. [1]

21. ***Industrial waste causes water pollution in river Yamuna resulting in loss of social Welfare .The GDP calculated will be unreliable. Why ?How can we correct***

 ***the situation.*** [1]

22. ‘Balance of Payment always balances’. Elaborate. [3]

23. From the following data calculate national income : [3]

 ITEMS ( CRORES)

 (i) Compensation of employees 800

(ii) Rent 200

 (iii) Wages and salaries 750

 (iv) Net exports (-) 30

 (v) Net factor income from abroad (-) 20

 (vi) Profit 300

(vii) Interest 100

 (viii) Depreciation 50

 OR

On the basis of following information, calculate Personal Disposable Income.

 ( in Lakhs)

 1. Private income 2000

2. Income accruing to corporations 500

3. Personal Income tax 100

4. Dividend 50

5. Miscellaneous receipts of Govt. administrative dept. 50

24. Distinguish between the current account and capital account of balance of payments account. Is import of machinery recorded in current account or capital account? Give reasons for your answer. [2+1]

25. Explain the inconveniences of Barter exchange. [3]

26. Differentiate between plan expenditure and non-plan expenditure. [3]

27. Explain the ‘medium of exchange’ and ‘measure of value’ function of money. [4]

28. What is the difference between APC and MPC? Does MPC affect level of income? [1+3]

OR

 (a)If disposable income is  500 and saving is  100, find APC. [2+2]

 (b)Calculate change in income when MPC = 0.8 and change in investment =

  1000.

29. Complete the following table- [4]

 MPC MPS K(Multiplier)

 0 \_ \_

 \_ 1/2 \_

 \_ \_ 3

 3/4 \_ \_

30.What is excess demand in macroeconomics? Explain with the help of a diagram.

 What are the impact of excess demand on output, prices and employment.[6]

31. Explain the sources or components of domestic income. [2x3]

OR

 (a) What does economic territory includes . [3+3]

 (b)Define the concept of ‘normal resident’

32. With the help of the following data, calculate : [2x3]

 (i) Gross domestic product at market price (GDPMP) (ii) Private income

 (iii) Personal income.

 (in crores)

 (a) Net indirect taxes 7,500

 (b) Net factor income from abroad (NFIA) (-) 200

 (c) Savings of the private corporate sector 2,800

 (d) Gross National Product at factor cost 39,500

 (e) Income from domestic product accruing to private sector 31,000

 (f) Corporate tax 2,200

 (g) Interest on national debt 900

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