## GUESS PAPER-2013

## CLASS-XI

## SUB: ECONOMICS

**TIME 3 HOURS M. M. 100 MARKS**

**ONE MARK – ONE SENTENCE**

1. What is decrease in supply?

2. What is market equilibrium?

3. State two features of resources that give rise to an economic problem.

4. What is market demand?

5. Why does AFC fall with the increase in output.

**3 MARKS 60 WORDS**

6. The demand for a good doubles due to a 25 percent fall in its price. calculate its price elasticity of demand.

7. Price elasticity of supply of a commodity is 1. its price rises from Rs 20 to Rs 24 per unit and its supply rises by 300 units. calculate its supply at its original price of Rs 20.

8. Complete the following:

**Output TR Price MR**

**1 6** ---- ----

**2**  ----  **5** ----

**3** ---- ---- **2**  **OR**

**Output TC AVC MC**

**0 24** ---- ----

**1 44** ---- ----

**2** ---- **15**  -----

**3**  ----- ---- 15

9. Define a budget line. explain why is it a straight line.

10. Define an economy. Why PPC is concave to the origin?

**4 MARKS 70 WORDS**

11. Draw TR and MR of a firm which is free to sell any quantity of the product at a given price. Explain

**OR**

What is producer equilibrium? From the following schedule find out the level of output at which the producer is in equilibrium

**Output AR TC**

1 8 6

2 7 11

3 6 15

4 5 18

5 4 25

12. Explain the implications of single seller under monopoly market and product differentiation under monopolistic market.

13. State the causes of rightward shift in the supply curve and explain any one.

**6 marks 100 words**

14. Explain the conditions of consumer equilibrium using indifference curve analysis.

15. In an economy ,if there is excess supply, is it equilibrium price. if not then how equilibrium price is determined. **OR**

In an economy ,if there is excess demand, is it equilibrium price. if not then how equilibrium price is determined.

16.Explain the law of variable proportion using schedule and curve.

**Section B**

17. State two components of money supply.

18. Define micro economics

19. Give the meaning of involuantary unemployment

20. Give the meaning of managed exchange rate

21. Define government budget.

**3 marks 60 words**

22. Complete the following:

**Income MPS APS Consumption Expenditure**

200 - ---- 120

400 ---- 0.4 220

---- ---- 0.48 260

23. Distinguish between the following

a. Stock and Flow variable

b. Consumption and Producer goods

24. State two merits and demerits of fixed exchange rate.

25. Distinguish between the following

a. Revenue expenditure and Capital expenditure

b. Direct and indirect tax

26. Define fiscal deficit. Explain its implications.

**OR**

Distinguish between debt and non debt capital receipts

**4 marks 70 words**

27. Define money multiplier. Explain the process of credit creation by commercial banks. OR

How ‘bank rate’ and ‘varying reserve requirements’ controls the money supply.

28. Explain the equilibrium level of income with help of C+I approach. Use diagram.

29. Distinguish between them:

a.Current account balance and trade account balance.

b. Fixed and flexible exchange rate

**6 marks 100 words**

30. Calculate national income and personal disposable Rs crores

I Personal tax 300

Ii Net imports -20

iii Private final consumption expenditure 1400

iv Private income 1200

v Undistributed profits 40

vi Net domestic capital formation 240

vii Government final consumption expenditure 400

viii Net factor income to abroad -10

ix Corporation tax 200

x. Net indirect taxes 210

31. Explain any two precautions that should be taken while estimating national income by

While estimating national income by income and expenditure method **OR**

Explain how ‘barter exchange’ and ‘externality’ is limitation in measuring welfare.

32. Explain how change in investment changes income in the economy.