

CLASS XII

SAMPLE PAPER

ECONOMICS

INTRODUCTORY MICRO ECONOMICS

General Instructions

Questions No.1-3 are required to be answered in one sentence each.

Questions No.4-10-answers should not exceed 60 words each.

Questions No.11-13-answers should not exceed 70 words each.

Questions No.14-19-answer should not exceed 100 words each.

- 1) Define total utility.
- 2) What do you mean by transitivity?
- 3) What is budget line?
- 4) Explain how to produce with a suitable example.
- 5) Production possibility curve can be shifted to right'. When? Give any three reasons. Use diagram.
- 6) Why do problems related to allocation of resources (allocation of resources -central problems of an economy) in an economy arise? Explain.
- 7) Explain total expenditure method of measuring price elasticity of demand.
- 8) Explain the cause of limited number of firms in an oligopoly market.
- 9) What is selling cost? Explain.
- 10) Explain three points of distinction between monopoly and monopolistic competition.
- 11) Price elasticity of demand is (-) 3.If the price rises from Rs.10 per unit to Rs.12 per unit, what is the percentage change in demand?

- 12) Define marginal cost. Explain its relation with average cost.
- 13) What is revenue? Explain the relation between marginal revenue and average revenue.
- 14) Explain with the help of diagrams the effect of the following changes on the demand for a commodity
- (i) A fall in the price of substitute goods. (ii) a fall in the income of the buyer.
- 15) Explain the geometrical method of measuring price elasticity of demand.
- 16) State three causes each for a rightward shift and a leftward shift of demand curve.
- 17) Explain the difference between decrease in supply and decrease in quantity supplied with the help of a supply schedule. Give two causes of decrease in supply.
- 18) Explain geometrical method of measuring price elasticity of supply.
- 19) Distinguish between collusive and non-collusive oligopoly. Explain how the oligopoly firms are interdependent in taking price and output decisions.
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