**JIYA LAL MITTAL DAV PUBLIC SCHOOL**

**GRADE – XII SA-I (SEPT, 2015)**

**SUBJECT – ECONOMICS**

**TIME: 3hrs. M.M-100**

**General Instructions:**

1. **All questions in both the sections are compulsory.**
2. **Marks for questions are indicated against each question.**
3. **Questions 1-3 and 15-19 are very short answer questions carrying 1 mark each.**
4. **Questions 4-8 and 20-22 are short answer questions and carry 3 marks each.**
5. **Questions 9-10 and 23-25 are also short answer questions carrying 4 marks each.**
6. **Questions 11-14 and 26-29 are long answer questions carrying 6 marks.**

**Section-A**

1. Which one of the following options is likely to cause an inwards shift in a country’s PPC?
2. Earthquake destroying resources of the country.
3. Scientists discovering new machines
4. Workers getting jobs in a new metro-project.
5. The country finds new reserves of crude oil.
6. The price elasticity of demand for hamburger is
7. The change in the quantity demanded for hamburger when the price of hamburger falls by 1 percent per Rs.
8. The change in quantity demanded of hamburger when the hamburger increases by 30 paise per rupee.
9. The increase in the demand for hamburger when the price of hamburger falls by 10percent per rupee.
10. The decrease in the quantity demanded for hamburger when the price of hamburger falls by 1 percent per rupee.
11. Total utility is maximum when
12. Marginal utility is zero
13. Marginal utility is at its highest point
14. Marginal utility is equal to average utility
15. Average utility is maximum
16. Write difference between decrease in demand and contraction in demand. Or

Giving reasons, state whether the following statements are true or false.

1. When there are diminishing returns to a factor, marginal and total product both always fall.
2. When there are diminishing returns to a factor total product always decreases.
3. Why AVC is U shape in short run?
4. Explain the relationship between TU and MU.
5. A consumer demands 40kg of a commodity. When price is Rs.1 per unit. If the price increases by Rs. 0.10, what would be his quantity demanded? P.e.d = unity.
6. State three causes of a rightward shift of a demand curve of a commodity.
7. Explain the problem what to produce.
8. Complete the following table

Output TVC (Rs) AVC(Rs) MC(Rs)

 1 - 12 -

 2 20 - -

 - - 10 10

 4 40 - -

 Or

Complete the following table:

Units of labour TPP MPP APP

 1 20 - -

 2 - 22 -

 3 - - 22

1. Draw PPC showing the following situations
2. Full employment of resources
3. Underemployment of resources
4. Explain consumer equilibrium with the help of two commodity case.

 Or

Using Indifference Curve approach, explain the conditions of consumer’s equilibrium.

1. Explain Law of variable proportion.
2. Explain degrees of Price elasticity of demand.

 **Section-B**

1. Service of teachers is \_\_\_\_\_\_\_
2. Capital goods
3. Consumption good

(c) Intermediate good

(d) can be consumption and intermediate good

1. Budget is placed before
2. Loksabha (b) Raya Sabha

(c) Both Loksabha and Rayasabha (d) Parliament

1. Narrow money refers to \_\_\_\_\_\_\_\_
2. M1 (b) M2 (c) M3 (d) M4
3. Buyers and sellers of foreign exchange are
4. Central Banks (b) Commercial banks

(c) Brokers (d) All of them

1. Current transactions are of \_\_\_\_\_\_\_\_\_ nature.
2. flow (b) stock

(c) both flow and stock (d) none of above

1. Machine purchased is always a piece of final goods. Do you agree? Give reasons.
2. Is balanced budget good for India?
3. Difference between Revenue receipt and Capital receipt.

Or

 Difference between Direct tax and Indirect tax.

1. Explain the objectives of Budget.

Or

 Explain the merits of flexible exchange rate.

1. Explain bankers bank function of central bank.
2. Explain secondary functions of money.
3. State whether the statements are true or false. Give reason.
4. Autonomous transactions take place in current account only.
5. Appreciation of domestic currency leads to rise in Imports.
6. Direct tax are generally proportional in nature.
7. Give the relationship between revenue deficit and fiscal deficit.

Or

 Difference between Primary deficit and fiscal deficit.

1. Explain 4 sector model.
2. What are the main components of Budget? Explain Revenue receipts.