

# GOVIND VIDYALAYA, TAMULIA

## ECONOMICS (SET I)

### SAMPLE PAPER OF 1<sup>ST</sup> TERM (2015-16)

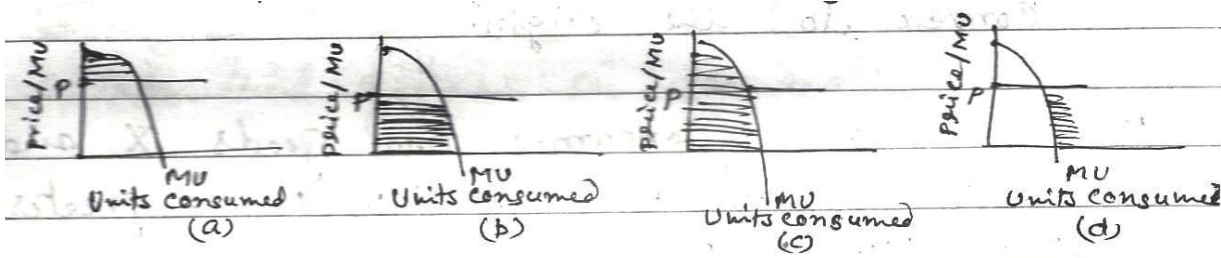
#### STD. XII

TIME :3:00HRS.

F.M.- 100

### Sec – A

- The TC at 5 units of output is Rs.30. The fixed cost is Rs. 5. The AVC at 5 units of output is :  
a) Rs. 25    b) Rs. 6    c) Rs. 6    d) Rs.1 (1)
- What policy initiatives can the government undertake to increase the demand of milk in the country? (1)
- Which of the shaded area in the diagrams below represent total utility? (1)



- Using a diagram, explain what will happen to the PPC of Bihar if the river Kosi causes wide spread floods (3)
- State the central problems of an economy? (3)
- State whether the following statements are True or False. Justify your answer. (3)  
a) Average product rises only where marginal product rises.  
b) Total Cost rises only when marginal cost rises.
- An individual is both the owner and the manager of a shop taken on rent. Identify implicit cost and explicit cost from this statement. Explain. (3)

Or

State any three causes of a right ward shift of demand curve.

- Explain the law of diminishing marginal utility with the help of total utility schedule. (3)
- Explain why an indifference curve is convex to the origin. (4)
- A Consumer consumes two goods X and Y. What will happen if  $Mu_x/P_x$  is greater than  $Mu_y/P_y$ ? (4)

Or

Distinguish between Fixed cost and Variable Cost.

- Explain how demand for a commodity is influenced by prices of other goods. (6)
- What is meant by change in demand and change in quantity demanded? (6)
- The following head line appeared in the Hindustan Times of India 2<sup>nd</sup> August 2014: "Crop damaged in Himachal Pradesh sent tomato Prices roaring in Delhi." Use a diagram and economic theory to analyse the statement. (6)

Or

On 19<sup>th</sup> December, 2013 the following news item was printed in the Economic Times: "House hold in Southern India prefer to eat oranges for breakfast as banana plantation in Kerala have been destroyed and price of apples and grapes have also risen ." Use a diagram and economic theory to analyse the impact of the rise in price of apples and grapes on the market of oranges.

- Explain with diagram the three stages of production? (6)

### Sec – B

- Read the following dialogue between two people: (1)

Sita: I want 1kg of potatoes.

Rani: What will you give in exchange?

Sita: I can give you 2 litres of milk in return for the potatoes?

Rani: I don't need milk; I want a pair of shoes.

Which of the following is being faced by Sita and Rani in their exchange process?

- Lack of double coincidence of wants.
  - Absence of common units of value.
  - Lack of store value.
  - Lack of standard of deferred payment.
- Define barter exchange? (1)



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## ECONOMICS (SET II)

### SAMPLE PAPER OF 1<sup>ST</sup> TERM (2015-16)

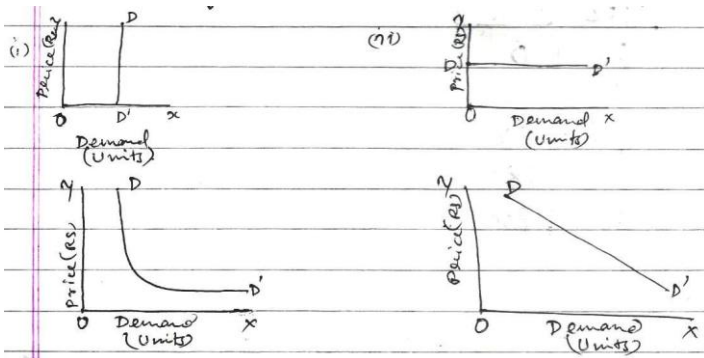
#### STD. XII

TIME :3:00HRS.

F.M.- 100

#### Sec – A

1. Price is given as Rs.24 at all levels of output. At 2 units of output total cost incurred is Rs. 50. The total profit procured at this level of output is. (1)  
 a) 2                      b) -2                      c) 0                      d) 4
2. To dissuade the consumption of junk food in schools, what policy imitative can the government undertake? Mention any one. (1)
3. Which of the diagram given below represents elasticity of demand equal to Unity. (1)



4. Under diminishing return to a factor, total product increases till. (1)  
 a) Marginal product reaches zero.  
 b) Average product reaches zero.  
 c) Marginal product becomes negative.  
 d) None.
5. Give one difference between monopoly and monopolistic competition. (1)
6. What are three central problems of an economy? Which problem deals with the problem of distribution of income? (3)
7. Explain the shape of AR curve under perfect competition? (3)
8. State three features of perfect competition? (3)
9. Calculate TC, AC, AFC, AVC, and MC. (4)

Output	TFC	TVC
0	60	0
1	60	50
2	60	90
3	60	180
4	60	300

10. Distinguish between change in demand and change in quantity demanded? (4)
11. At a given market of a good a consumer buys 120 unit. When price falls by 50 percent he buys 150 units. Calculate Price elasticity of demand. (4)
12. Explain the various degrees of price elasticity of demand. Use diagram. (6)
13. State the factors that can cause a right ward shift of demand curve of a commodity. (6)
14. Distinguish between perfect competition and oligopoly? (6)

**Or**

Define oligopoly. Explain the features of oligopoly?

15. Explain how the following factors determine the elasticity of demand of a good. (6)  
 i) Proportion of income spent on a good by a consumer.  
 ii) Nature of the commodity.

#### Sec – B

16. Read the following dialogue between two people: (1)  
 Naresh:- I am in need of urgent money but I have forgotten my cheque book at home.



4. In case of single commodity, consumer's equilibrium is achieved when: (1)  
 a)  $MU_x > P_x$       b)  $MU_x < P_x$   
 c)  $MU_x \neq P_x$       d)  $MU_x = P_x$
5. Increase in price of substitute good leads to : (1)  
 a) Expansion in demand      b) Increase in demand  
 c) Decrease in demand      d) Contraction in demand
6. Why does an economic problem arise? Explain. (3)
7. What is opportunity cost? Explain with the help of a numerical example. (3)
8. Explain why an indifference curve is convex to the origin. (3)
9. Distinguish between expansion in demand and increase in demand? (4)
10. Explain the inverse relationship between the price of a commodity and its demand. (4)
11. Calculate price elasticity of demand if demand increases from 4 units to 5 units due to fall in price from Rs.10 to Rs.8 (4)
12. Explain the relationship between AC, AVC and MC with the help of a hypothetical schedule and diagram. (6)
13. Explain in brief the various points of difference between fixed cost and variable cost? (6)
14. Calculate TR, AR and MR from the following data: (6)

Price (Rs.)	1	2	3	4	5	6	7
Unit Sold	100	90	80	70	60	50	40

15. Explain the central problem of : (6)  
 i) How to produce      ii) What to produce

### Sec – B

16. Which of the following is not considered a factor income? (1)  
 a) Rent      b) Wages  
 c) Gifts from abroad      d) Profit
17. Money flow involves exchange of : (1)  
 a) Goods and services      b) Gifts  
 c) Money      d) None of these
18. In a closed economy ..... is not included. (1)  
 a) Households      b) Firms  
 c) Government      d) Foreign Sector
19. What is meant by circular flow of income? (1)
20. The one rupee note and coins are issued by : (1)  
 a) RBI (Central Bank)      b) Commercial Bank  
 c) Ministry of Finance      d) Central Government
21. How do Commercial Banks create deposits? Explain. (3)
22. Explain the function of a Central Bank as a banker to the government. (3)
23. Briefly explain two functions of money. (3)
24. What is barter system? Explain the drawbacks of barter system. (4)
25. Price elasticity of demand of a good is (-)3. If the price rises from Rs.10 per unit to Rs. 12 per unit. What is the percentage change in demand? (4)
26. Explain briefly the evolution of money. (4)
27. Describe the circular flow of income in a two sector economy with financial market? (6)
28. What is legal Reserve Ratio? Explain its components? (6)
29. Calculate TC, AC, AFC, AVC, MC, TVC - (6)

Output	TFC	TVC
0	60	0
1	60	50
2	60	90
3	60	180
4	60	300

30. Define money supply? Explain different measures of money supply used by RBI in India? (6)



22. Distinguish between stocks and flows. Give an example of each. (3)  
 23. How do commercial banks create deposits? Explain. (4)  
 24. Define CRR and SLR. How can they be used to control the situation of excess money supply? (4)  
 25. Define money supply and explain its components. (4)  
 26. As a result of 10% fall in price of a good, its demand rises from 100 units to 120 units. Find out the  $e_D$ . Is its demand elastic? (6)  
 27. "Under perfect competition the seller is a price taker whereas under monopoly he is the price maker". Explain. (6)  
 28. Describe the circular flow of income in a three sector economy with financial market. (6)  
 29. Calculate TR, AR and elasticity of demand. (6)

Quantity	1	2	3	4	5	6	7	8	9
MR	10	6	2	2	2	0	0	0	-5

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## GOVIND VIDYALAYA, TAMULIA

### ECONOMICS (SET V)

#### SAMPLE PAPER OF 1<sup>ST</sup> TERM (2015-16)

#### STD. XII

TIME :3:00HRS.

F.M.- 100

#### Sec – A

1. The fundamental economic problem being faced is : (1)  
 a) Unlimited human wants.  
 b) Limited wants and unlimited resources.  
 c) Unlimited wants and scarcity of resources.
2. Scarcity refers to limitation of ..... in relation to ..... for a commodity. (1)  
 a) Demand, Sale                      b) Demand, Supply  
 c) Supply, Demand                  d) None of these
3. Marginal utility (MU) of nth unit is calculated as : (1)  
 a)  $MU_n = TU_n - TU_{n+1}$               b)  $MU_n = TU_n + TU_{n+1}$   
 c)  $MU_n = TU_n + TU_{n-1}$               d)  $MU_n = TU_n - TU_{n-1}$
4. Define marginal utility. State the law of diminishing marginal utility. (3)
5. Distinguish between expansion in demand and increase in demand? (3)
6. Explain the causes of a rightward shift in demand curve of a commodity of an individual consumer. (3)
7. A consumer buys 20 units of a good at Rs. 10 per unit. When its price falls by 10%, its demand rises to 22 units. Find out the price elasticity of demand. (3)
8. Explain producers equilibrium with the help of a diagram. (3)
9. Explain the relationship between MP and AP. (4)
10. Explain the 'law of variable proportions'. Give reasons. (4)
11. The demand function of a commodity x is given by  $Q_x = 20 - 3p_x$ . Find out the values of  $P_x$ , when corresponding values of  $Q_x$  are given as : 5, 8, 11, and 14. (6)
12. Draw TVC, TC and TFC curves in a single diagram. (6)
13. Explain the various degrees of price elasticity of demand. Use diagram. (6)
14. Explain the main features of monopolistic competition market. (6)

#### Sec - B

15. Money flows involves exchange of : (1)  
 a) Goods and services              b) Gifts  
 c) Money                                  d) None of these
16. In a closed economy, ..... is not included. (1)  
 a) Households              b) Firms  
 c) Government              d) Foreign sector
17. The one rupee note and coins are issued by : (1)  
 a) RBI (Central Bank)              b) Commercial Bank  
 c) Ministry of finance              d) Central Government
18. Which of these is not a function of Central Bank? (1)  
 a) Accepting deposits of general public.  
 b) Custodian Foreign Exchange Reserve.

- c) Bankers Bank.  
d) Currency Authority
19. Money supply is a ..... concept. (1)  
 a) Stock b) Flow  
 c) Both (a) and (b) d) Neither (a) nor (b)
20. How does money solve the problem of double coincidence of wants? (3)
21. State the main functions of Central Bank. (3)
22. Define CRR and SLR. (3)
23. Explain 'bankers bank' function of Central Bank. (4)
24. "Household and Firms depend on each other in the circular flow of income". Justify the statement in case of a two sector model. (4)
25. Calculate price elasticity of demand if demand increases from 4 units to 5 units due to fall in price from Rs.10 to Rs.8. (4)
26. Define money supply? Explain different measures of money supply used by RBI in India. (6)
27. What is legal Reserve Ratio? Explain its components. (6)
28. Calculate TFC, TVC, ATC, AFC, AVC and MC (6)

Output(Units)	0	1	2	3	4	5	6
TC (Rs.)	60	80	100	111	116	130	150

29. Describe the circular flow of income in a three-sector economy with financial market? (6)