

II PRE BOARD EXAM – 2009-10  
SUB-ECONOMICS  
CLASS-XII

Time- 3 hours

M M- 100

General Instruction

1. All question in both the sections are compulsory.
2. Marks for question are indicated against each.
3. Question No.1-5 and 17-21 are very short answer question, 1 mark each. They are required to be answered in one sentenced each.
4. Questions No. 6-10 and 22-26 are short answer question for 3 marks each. Answers to them should normally not exceed 60 words each.
5. Question No. 11-13 and 27-29 are also short answer questions carrying 4 mark each. Answers to them normally not exceed 70 words each.
6. Question No. 14-16 and 30-32 are long answer questions carrying 6 marks each. Answers to them should normally not exceed 100 words each.
7. Answer should be brief and to the point and the above words limits should be adhered to as far as possible.

SECTION – A

Q1. Define scarcity of resources?

(1)

Q2. What does a shift in Demand curve show?

(1)

Q3. Define Production function?

(1)

Q4. Define Cost?

(1)

Q5. In which market form the product is homogeneous and there is a large number of Buyers and sellers?

(1)

Q6. Give below is the utility schedule of a consumer for a commodity X. The price of the Commodity is Rs.6 per unit. How much unit should the consumer purchase to

maximize

Satisfaction.

(3)

Consumption units	Total utility	Marginal utility
1	10	10
2	13	8
3	25	7
4	31	6
5	34	3
6	34	0

Q7. Explain law of supply with help of diagram and schedule. (3)

OR

Write down three determinants of supply.

Q8. State the problem relating to allocation of resources in an Economy. (3)

Q9. Explain the implication of the feature product differentiation under monopolistic Competition. (3)

Q10. Define producer's equilibrium. Explain the condition of producer's equilibrium. (3)

Q11. Distinguish between change in Demand and change in quantity demanded.

OR

Define Elasticity of demand and explain total expenditure method to Explain it. (4)

Q12. Complete the following table. (4)

Output	Price	MR	TR
1	.....	10	.....
2	9	.....	.....
3	.....	.....	24
4	.....	4	.....

Q13. From the following table calculate price elasticity of demand by the percentage Method. (4)

Price of X Rs per unit	Total Exp.
4	600
5	625

Q14. Explain the behavior of total product and marginal product when only one input is

Increases while all the other inputs are kept unchanged. (6)

Q15. There is a simultaneous 'decrease' in demand and supply of a commodity when Will it result is in:- (6)

- (a) No change in equilibrium price.
- (b) A fall in equilibrium price.

Q16. Explain with the help of diagram the effect of following change in the demand  
For a commodity.

(6)

- (a) A fall in the income of its buyer.
- (b) A rise in the price of complementary good.

OR

Explain three determinants of Demand.

### SECTION B

Q17. State any one difficulty of Barter system.

(1)

Q18. If MPC is .75 what is the value of MPS.

(1)

Q19. What is Central Bank?

(1)

Q20. Define propensity to consume.

(1)

Q21. What is meant by Revenue Deficit.

(1)

Q22. Categories the following government receipts into revenue and capital receipts.  
Give reasons for your answer.

(3)

- (a) Receipts from sale of shares of a public sector undertaking.
- (b) Borrowings from public.
- (c) Profit of public sector undertaking

OR

Write down objective of government Budget.

Q23. Distinguish between current account and capital account of balance payment.  
Mention any two transaction of capital account.

(3)

Q24. Write down three main function of money.

(3)

Q25. Distinguish between Central Bank and Commercial bank.

(3)

Q26. From the following data calculate National Income.

Crores)	(Rs. In
1. Compensation of employees	800
2. Rent	200
3. Wages and salaries	750
4. Net Exports 30)	(-
5. Net factor income from abnol 20)	(-
6. Profit	300
7. Interest	100
8. Depreciation	50

(3)

Q27. Distinguish between.

(4)

- (a) Balance Budget and Surplus Budget.
- (b) Development Expenditure and non-development expenditure.

Q28. What is meant by foreign Exchange rate. List three sources each of demand for And supply of foreign exchange in a country.

(4)

OR

Explain two merits and demerits of fixed foreign exchange rate.

Q29. Define Aggregate Demand. Write down components of Aggregate Demand.

(4)

Q30. In an Economy Marginal propensity to consume is 0.75. If investment expenditure

Is increased by Rs 500 crores calculate. The increase in income and consumption Expenditure.

(6)

OR

Define multipliers and write down working of multipliers with help of diagram.

Q31. From the following Data estimate

(6)

(a) Personal Income.

(b) Private Income

(b) Personal Disposable Income.

Items

(Rs. In crore)

(1) Nation Income

1300

(2) Corporate profit tax	15	
(3) Direct Personal Tax	40	
(4) Saving of private corporate sector		25
(5) Income from property and entrepreneurship		
Accruing to govt. administrative department	35	
(6) Current transfer from Government administrative department.		30
(7) National debt interest		10
(8) Saving of non departmental public enterprises		5
(9) Current transfer from rest of the world.	15	

Q32 Explain precautions required to be taken in estimation national income by

(A) Income method.

(B) Value added method

(6)