

ANDHRA EDUCATION SOCIETY SCHOOLS

NEW DELHI

SUMMATIVE ASSESSMENT-I (2015-16)

CLASS - XII

SUBJECT - ECONOMICS

Time : 3:00 Hrs.

Max Marks : 100

General Instructions :-

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

SECTION - A (MICROECONOMICS)

1. Explain the term "how to produce".
2. State the reasons for the central problem to arise.
3. Define Total Utility with a formula.
4. What do you mean by a production function curve?
5. Define Demand Schedule.
6. For whom to produce is a central problem of an economy. Explain.

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7. When price of a good rises from Rs. 20 per unit to Rs. 23 per unit, its demand falls by 30 percent. Calculate price elasticity of demand.
8. Explain the law of Diminishing MU with the help of utility schedule.
9. State there features of an indifference curve.
10. Explain diagrammatically the relationship between average cost, average variable cost and average fixed cost.
11. Define opportunity cost with the help of an example and a diagram.
12. State four determinants of price elasticity of demand.
13. Define Marginal Revenue. Explain the relationship between average and marginal revenue when price is constant at all levels of output.
14. Explain the conditions of consumer's equilibrium with the help of the indifference curve analysis.
15. Explain the causes of increase in demand. (rightward shift of demand curve).
16. Complete the following table:

output	AFC	TFC	TVC	MC
0				—
1				10
2			18	8
3				6
4			20	-4

SECTION - B [MACROECONOMICS]

17. Define GDP at Market Price.
18. Define circular flow of income.
19. What is depreciation?
20. State two functions of Commercial Bank?
21. What is statutory liquidity ratio?
22. Explain the "lender of the last resort" function of the Central Bank.

23. Classify the following into stocks and flow.

(1) population of India (2) exports (3) investment (4) expenditure of food by household (5) national capital (6) deposits in saving account of bank.

24. Distinguish between domestic product and national product. [Give formula]

25. Explain the process of money creation by commercial banks, giving a numerical example.

26. Discuss the two sector model of the economy.

27. Distinguish between factor income and transfer income or non factor incomes.

28. Distinguish between consumer goods and intermediate goods giving examples.

29. How the Central Bank is controller of credit? Explain it.

30. Calculate NDP at FC from the following data :

Particulars	Rs. (crore)
1. Rent	400
2. Royalty	200
3. Interest	500
4. Compensation of Employees	1,000
5. Profit	500
6. Mixed Income	1,000

31. Describe all the important functions of the Central Bank.

32. Explain any four functions of money.