



DELHI INTERNATIONAL SCHOOL, DWARKA
HALF YEARLY EXAMINATION (2017-18)
SUBJECT- ECONOMICS SET-A
CLASS - XII

General Instructions:

1. All questions are compulsory.
2. Marks for questions are indicated against each.
3. Question carrying 1 mark is required to be answered in one sentence each.
4. Question carrying 3 marks should not normally exceed 60 words each.
5. Question carrying 4 marks Answer to them should not exceed 70 words each.
6. Question carrying 6 marks should not normally exceed 100 words each.

MM: 80

TIME: 3 HOURS

1. Define the following: 1x4
 - a) Revenue.
 - b) demand schedule
 - c) Oligopoly
 - d) Marginal cost
 2. The country needs huge amount of imports for developmental Programmes. Name one step which the central bank can make imports cheaper using the foreign exchange market. 1
 3. Explain the properties of Indifference curve. 3
 4. Explain Law of Supply. 3
 5. How does money solve the problem of double coincidence of wants? 3
 6. Calculate National income for the following data: 4

a. Consumption of fixed capital	2217
b. Net indirect tax	3527
c. Imports	1806
d. Exports	1771
e. Change in stocks	1039
f. Gross fixed capital formation	6305
g. Government final consumption expenditure	29163
h. Private final consumption expenditure	3801
i. Net factor income from abroad	(-)284
 7. The price elasticity of demand of a good is (-1). At a given price the consumer buys 60 units of the good. How many units the consumer will buy if price falls by 10%. 3
 8. Distinguish between explicit cost and implicit cost Give examples for each. 4
 9. Explain the implication of product differentiation as a feature of monopolistic competition. 3
- OR
- Explain the implication of homogenous product as a feature of perfect competition.
10. In case of a product like diesel which is sold by government at a subsidized price how can the government lower the losses without lowering the subsidies? 4
 11. Explain the Bank rate as a method of credit control used by RBI. 4

12. Explain the central problem of an economy
 a. On distribution of income
 b. Technique of production
13. State four factors that affect elasticity of demand and explain all.
14. Distinguish between change in demand and change in quantity demand. Explain the relationship between TPP and MPP with the help of a schedule by keeping one input as constant.
15. What is equilibrium price? If there is simultaneous decrease in demand and supply what will happen to equilibrium price?

OR

There is simultaneous increase in demand and supply of a commodity. The equilibrium price may or may not change, explain with the help of a diagram.

16. What are the conditions of consumer equilibrium? The price of Ice cream is Rs. 30. Meena has eaten 3 ice creams The MU for her is 90 MU of one rupee is 3 should she eat more or stop. Explain it.
17. Will the following be a part of domestic factor income of India? Give reason in support of your answer.
 a. Profit earned by foreign banks from their branches in India.
 b. Salary by Indian residents working in American Embassy in India.
 c. Profits earned by Indian company from its branches in Singapore
18. Explain the conditions of equilibrium of a firm based on marginal cost and marginal revenue. Use diagram along with schedule.
19. Explain the concept of CRR and SLR. How do they affect the credit created by commercial bank?
20. Calculate GNP at market price by income and expenditure method.

a) Personal consumption expenditure	350
b) Wages and salary	340
c) Contribution to social security scheme	200
d) Gross business fix investment	10
e) Profits-	50
f) Government purchase of goods and services	100
g) Rent	25
h) Net import	(-10)
i) Gross residential construction investment	30
j) Interest <i>Domestic Capital Total</i>	20
k) Mixed income	50
l) Net factor income to abroad	5
m) Depreciation	20
n) Gross public investment	20
o) Net indirect taxes	5

$$\begin{array}{r}
 = 350 \\
 + 100 \\
 + 30 \\
 - 10 \\
 \hline
 470 \text{ GDP MP}
 \end{array}$$

$$\begin{array}{r}
 450 \text{ MDP MD} \\
 - 5 + \text{MPP} \\
 \hline
 445 \text{ MPP MD} \\
 - 5 \text{ NET} \\
 \hline
 440
 \end{array}$$

Cost + OS + N