

CBSE UNIT TEST PAPER-18
CLASS - XII (ECONOMICS)
FIRST TERM UNIT TEST – 2009-10

Time :1.5 Hours

M.M.40

All questions are compulsory.

1. Define it. (4)
 - A. Macro Economics
 - B. Indifference map
 - C. Budget line
 - D. Elasticity of Demand
2. Write the difference between centrally planned economy and market economy. (3)
3. What are the central problems of an economy. "Explain what to produce". (3)
4. What do you mean by Complementary goods and substitute goods. Give some example also. (3)
5. Differentiate between contraction in Demand and Decrease in Demand. (4)
6. State the law of Diminishing Marginal utility. Explain it. (4)
7. What do you mean by Returns to factor and returns to scale. (4)
8. Write the determinants of elasticity of demand. Explain any two. (4)
9. At a price of Rs 50 per unit the quantity demanded of a commodity is 1000 units. When its price falls by 10% its quantity demand rises to 1080 units. Calculate its price elasticity of Demand. Is it demand inelastic? Give reasons for your answer. (4)
10. Explain law of Variable proportion with the help of diagram. (4)
11. What is production possibility frontier? Explain it with the help of diagram. (3)