

Model Question Paper
Demand and supply - Part III

12th Standard

Economics

Reg.No. :

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- I. Answer all the questions.
- II. Use Blue pen only.
- III. Question No 18 is compulsory.

Time : 01:15:00 Hrs

Total Marks : 65

5 x 1 = 5

Section-A

- 1) Increase and decrease in demand is shown by
(a) Lowest point on the demand curve. (b) The highest point on the demand curve (c) Movement along the same demand curve (d) Shift in the demand curve
- 2) Demand for a commodity may change due to
(a) Change in taste (b) Change in preferences (c) Change in fashion (d) All the above
- 3) The demand for substitutes moves in the _____
(a) Same (b) Opposite (c) Horizontal (d) Vertical
- 4) When the number of consumers increases, there will be _____ demand for goods.
(a) Smaller (b) Equal (c) Greater (d) Zero
- 5) A consumer may buy a larger quantity of goods in the present if he expects
(a) Price rise in future (b) Price fall in future (c) Price will remain the same in future (d) None of the above

Section-B

5 x 1 = 5

- 6) The law of supply establishes a.....between price and supply.
- 7)means a part of the cost of a commodity will be borne by the government.
- 8) A desire backed by the ability to pay and willingness to buy is called_____
- 9) The law of demand states the _____ relationship between price and quantity demanded.
- 10) The amount demanded diminishes with _____ in price.

Section-C

5 x 3 = 15

- 11) Define Law of supply.
- 12) What factors determine elasticity of supply?
- 13) Write a note on Veblen Effect.
- 14) Give Ferguson's definition of the Law of demand.
- 15) What is meant by demand schedule?

Section-D

3 x 10 = 30

- 16) Explain the factors determining supply.
- 17) Explain the Law of Demand with the assumptions.
- 18) a) Describe the individual demand schedule and draw a diagram to explain it.

(OR)

- b) Describe the market demand schedule and draw a diagram to explain it.
