



Subject-Economics

Grade-12

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1. Which production factor do the followings belong to?
 - a) Mineral deposit
 - b) Bulls used in the paddy cultivation .
 - c) Repairing a vehicle by a craftsman.
 - d) Operating a livestock development plan by the government.
2. A certain country produces industrial goods (vertical axis) and agricultural goods (horizontal axis) by utilizing the stock of resources fully and efficiently. The details regarding that production possibilities curve has been stated below.

Industrial goods	Amount of agricultural goods sacrificed
0	-
10	5
20	10
30	15
40	20
50	50

- (a) Draw the production possibilities curve associating the above details.
 - (b) What can you tell about the manner of resources and the production methods in the above economy?
 - (c) If the society expects a product combination of 30 industrial and 85 agricultural goods explain the problem that the economy has faced.
 - (d) "The production possibilities curve shifts to the right with the economic growth of the country. By that, the problem of scarcity does not further create". Explain.
3. What kind of function is fulfilled by the price mechanism towards the economic agents in a market economy?

