

## Model Question Paper

**Subject: Economics**

**M.M: 100**

**Time: 3 hrs**

### General Instructions:

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

### Section -A (Micro-Economics)

1. What is meant by utility? (1)
2. What is meant by price elasticity of demand? (1)
3. Define fixed cost. (1)
4. When does supply become more elastic? (1)
5. What is micro economics about? (1)
6. Define marginal utility. State the law of diminishing marginal utility. (3)

Or

What is meant by consumer equilibrium? State its conditions in case of a single Commodity.

7. State any three factors affecting demand for a commodity by a consumer. (3)

Or

Distinguish between complementary goods and substitute goods.

8. Explain the concept of fixed cost with the help of a table and diagram. (3)

Or

Explain the concept of variable cost with the help of table and diagram.

9. Explain any three determinants of supply of a commodity. (3)

Or

Explain law of supply with the help of an imaginary supply curve.

10. Discuss the concept of opportunity cost with an example. (3)

Or

What does production possibility curve show? When will it shift to the right?

11. Distinguish between 'movement along a demand' and 'Shift in demand curve'. (4)

Or

Define decrease in demand. What causes decrease in demand?

12. Explain producer's equilibrium with the help of a diagram. (4)

Or

Explain the concepts of break-even point and short-run point, using a suitable diagram.

13. State four features of oligopoly. (4)

Or

Distinguish between monopoly and monopolistic competition.

14. Give geometric presentation of degrees of Price elasticity of demand with the help of suitable examples. (6)

Or

What are the factors that determine price elasticity of demand?

15. Define TR, AR and MR. Discuss the relationship between AR and MR. (6)

Or

Explain the marginal and average revenue curves of a firm under perfect competition and monopoly.

16. What do you mean by perfect competition and explain its features. (6)

Or

Explain the concept of market and discuss its different forms.

### **Section – B (Macro-Economics)**

17. Name four sectors of the economy. (1)

18. What are final products? (1)

19. Define C-C economy. (1)

20. Define money supply. (1)

21. Give the formula of revenue deficit. (1)

22. Distinguish between intermediate goods and final goods.

Or

Diagrammatically depict 2-sector circular flow model with financial system. (3)

23. Define aggregate demand. State its components. (3)

Or

Explain the concept of consumption function.

24. Explain the concept of ex-port saving and ex-port investment.

OR

Briefly explain the concept of equilibrium output

25. What do you mean by plan and non-plan expenditure? Give suitable examples.

Or

(3)

Give meaning of 'revenue receipts' and 'capital receipts' with an example of each.

26. How is foreign exchange rate determined? Use diagram.

(3)

Or

What is Bretton Woods system of exchange?

27. Distinguish between national income and domestic income. (4)

Or

What is the difference between personal income and national income.

28. What is government budget? State its main objectives. (4)

Or

Distinguish between tax revenue and non-tax revenue receipts.

29. Explain the concept of Balance of payment and give its components. (4)

Or

What do you mean by disequilibrium in Balance of Payments (BOP). What causes disequilibrium?

30. Explain expenditure method of estimating national income. (6)

Or

What precautions are required to be taken in estimating national income by income method ?

31. Define Central Bank. What are its functions ? (6)

Or

State the basic differences between quantitative and qualitative instruments of credit control.

32. What is meant by deficient demand? Explain its causes and consequences. (6)

Or

What is monetary policy? How is it used during the situation of excess demand and deficient demand?

**Question Paper Design (12<sup>th</sup> Economics)**

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S.No.	Name of Unit	Marks distribution				No. of questions per unit	Total Marks
		1	3	4	6		
1	Introduction	1	1	-	-	02	04
2	Consumer Equilibrium of demand	2	2	1	1	06	18
3	Producer Behaviour and Supply	2	2	1	1	06	18
4	Forms of Market & Price determination	-	-	1	1	02	10
5	Simple application of tools of D&S curve	-	-	-	-	-	Non-evaluative
6	National income and related aggregates	2	1	1	1	05	15
7	Determination of Income & Employment	-	02	-	1	03	12
8	Money & Banking	2	-	-	1	03	08
9	Govt. Budget and Economy	1	1	1	-	03	08
10	Balance of Payments	-	1	1	-	02	07