



**Second Term Exam – 2070**

Grade: XII  
Time: 3:00 hrs.

Subject: Economics

F.M.: 100  
P.M.: 40

**Set 'A'**

**Group A**

- 1) Explain law of supply. Explain about the exceptions of law of supply. [5+5]
- 2) Define price elasticity of demand. Explain about the factors affecting price elasticity of demand. [2+8]
- 3) Critically examine Malthusian theory of population. [10]
- 4) Explain Ricardian theory of rent. [10]

**OR**

How are equilibrium price and output determined under monopoly market in short run? Explain. [10]

- 5) Attempt **any four** questions. [4×5=20]
  - a) Explain about the concept of consumer's surplus..
  - b) Define partnership organization. What are its features?
  - c) Derive all short run total cost curves.
  - d) Explain about the factors affecting real wage.
  - e) Define concept of returns to scale. Explain about the features of increasing returns to scale.
- 6) Attempt **all** questions: [5×2=20]
  - a) What is the market economy?
  - b) Define production function.
  - c) What is meaning of capital formation?
  - d) Define TU and MU.
  - e) Define perfect competition market.

**Group B**

- 7) Explain quantity theory of money. What are its criticisms? [8+2]

**OR**

Define central bank. Explain the functions of central bank. [2+8]

- 8) Attempt **any two** questions: [2×5=10]
  - a) Explain about the functions of money.
  - b) Discuss about the steps of construction of price index number.
  - c) What are the functions of commercial bank? Explain.

- 9) Attempt **all** questions. [5×2=10]
  - a) Define barter exchange system.
  - b) What is price index number?
  - c) Define capital market.
  - d) What is meaning of inflation?
  - e) State the roles of banking system.





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**Set 'B'**

**Group A**

- 1) Explain law of demand. What are its exceptions? [8+2]
- 2) Explain law of substitution. [10]
- 3) Define efficiency of labour. Explain about the factors affecting efficiency of labour. [2+8]
- 4) Define TR, AR and MR. Explain about their relationship under monopoly market. [3+7]

**OR**

How are equilibrium price and output determined under perfect competition market in short run? Explain. [10]

- 5) Attempt **any four** questions. [4×5=20]
  - a) Discuss about income elasticity of demand.
  - b) Explain about the features of Joint Stock Company.
  - c) Explain the relationships between SAC and SMC.
  - d) Explain about the subsistence theory of wage.
  - e) Define concept of returns to scale. Explain about the features of decreasing returns to scale.
- 6) Attempt **all** questions: [5×2=20]
  - a) State any four features of market economy.
  - b) What are short run and long run production functions?
  - c) Distinguish between the gross profit and net profit.
  - d) Define price elasticity of demand.
  - e) Define the concept of fixed and variable cost.

**Group B**

- 7) Critically examine quantity theory of money. [10]

**OR**

Define commercial bank. Explain the functions of commercial bank. [2+8]

- 8) Attempt **any two** questions: [2×5=10]
  - a) Explain about the difficulties of barter exchange system.
  - b) Discuss about the difficulties in construction of price index number.
  - c) What are the roles of banking system? Explain.
- 9) Attempt **all** questions. [5×2=10]
  - a) Define money.
  - b) What is value of money?
  - c) What is bank?
  - d) Define money market.
  - e) What is demand pull inflation?

