



GLOBAL  
COLLEGE  
OF MANAGEMENT

Pre-Board Exam-2071  
Subject: Economics

Grade: XII  
Time: 3:00 hrs.

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

Set A

Group A

1. Define demand. Explain law of demand in detail. [2+8]
2. Explain law of substitution. [10]
3. Define division of labour. Explain merits and demerits of division of labour. [2+4+4]
4. Define monopoly market. How are price and output determined under it? Explain. [2+8]  
Or  
Critically explain Ricardian theory of rent. [10]
5. Answer any **four** questions [4×5=20]
  - (i) Discuss about the major features of market economy.
  - (ii) Explain the different degrees of price elasticity of demand.
  - (iii) Describe the relationships between TP, AP and MP under short run.
  - (iv) What are the features of partnership organization? Explain.
  - (v) Derive AR and MR from TR under perfect competition market.
6. Answer **all** questions [5×2=10]
  - a. Define composite demand with example.
  - b. Define TU and MU.
  - c. What do you mean by efficiency of labour?
  - d. Define fixed cost and variable cost.
  - e. Distinguish between gross profit and net profit.

Group B

7. Explain quantity theory of money. What are its criticisms? [7+3]  
Or  
Define direct tax. Explain merits and demerits of direct tax. [2+4+4]
8. Answer any **two** questions [2×5=10]
  - (i) Explain the different functions of commercial bank.
  - (ii) What are the arguments in favour of free trade? Explain.
  - (iii) Describe the cannons of taxation.
9. Answer **all** questions [5×2=10]
  - a. Define value of money.
  - b. What are the sources of public borrowing?
  - c. Distinguish between money market and capital market.
  - d. Define BOP.
  - e. What are the objectives of world trade organization (WTO)?



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Set B

Group A

1. Explain law of supply. Describe the exceptions of law of supply. [5+5]
  2. Define price elasticity of demand. Explain the factors affecting price elasticity of demand. [3+7]
  3. Critically explain Malthusian theory of population. [10]
  4. Explain law of variable proportion. [10]
- Or
- Define perfect competition market. How are price and output determined under it? Explain. [2+8]
5. Answer any **four** questions [4×5=20]
    - (i) Distinguish between movement along and shift in demand curve.
    - (ii) Explain law of diminishing marginal utility.
    - (iii) What are the features of capital? Explain.
    - (iv) Discuss about the relationship between SAC and SMC.
    - (v) Explain Wage fund theory of wage. What are its criticisms?
  6. Answer **all** questions [5×2=10]
    - a. Define market economy.
    - b. State the assumptions of concept of consumer's surplus.
    - c. What do you mean by joint stock company?
    - d. Define TR, AR and MR.
    - e. Distinguish between gross interest and net interest.

Group B

7. Explain comparative cost advantage theory of foreign trade. What are its criticisms? [7+3]
- Or
- Define central bank. Explain the various functions of central bank. [2+8]
8. Answer any **two** questions [2×5=10]
    - a. Explain the different functions of money.
    - b. What are the sources of public revenue? Explain.
    - c. Describe the concept of progressive, proportional and regressive tax.
  9. Answer **all** questions [5×2=10]
    - a. Define inflation.
    - b. State objectives of public expenditure.
    - c. Define money market and capital market.
    - d. Distinguish between BOT and BOP.
    - e. Give your arguments against protection trade.