



Second Term-2072
Subject: Economics

Grade: XII
Time: 3:00 hrs.

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

Candidates are required to give their answers in their own words as far as practicable. The figure in the margin indicates full marks.

Set A
Group A

1. Define demand. Explain about the various determinants of demand. [3+7]
2. Explain law of diminishing marginal utility. What are its limitations? [8+2]
3. Define division of labour. Explain the merits and demerits of division of labour. [2+4+4]
4. Explain law of variable proportion.
Or
How are equilibrium price and output determined under perfect competition market in short run? Explain. [10]
5. Answer any **four** questions [4×5=20]
 - i. State and explain law of supply.
 - ii. Explain about income elasticity of demand.
 - iii. Derive all short run total cost curves.
 - iv. Describe the features of monopoly market.
 - v. Explain the Ricardian theory of rent.
6. Answer **all** questions: [5×2=10]
 - a. State the features of market economy.
 - b. Define consumer's surplus.

- c. Define joint stock company.
- d. Define TR, AR and MR.
- e. Distinguish between money wage and real wage.

Group B

7. Critically explain the quantity theory of money. [10]
Or
Define commercial bank. Explain the various functions of commercial banks. [2+8]
8. Answer any **two** questions [2×5=10]
 - i. Explain the different functions of money.
 - ii. What are the major steps in construction of price index number? Explain.
 - iii. Describe the major functions of central bank.
9. Answer **all** questions [5×2=10]
 - a. Define money.
 - b. What is the meaning of barter exchange system?
 - c. Define cost push inflation.
 - d. Define bank.
 - e. What are the major classifications of bank?



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Set B
Group A

1. Define price elasticity of demand. Explain about the total outlay method of measuring the price elasticity of demand. [2+8]
2. Explain law of Substitution. [10]
3. Critically explain the classical theory of Interest. [10]
4. Define partnership. Explain the merits and demerits of partnership. [3+7]
Or
Define monopoly. How are equilibrium price and output determined under it in short run? Explain. [2+8]
5. Answer any **four** questions [4×5=20]
 - i. Explain law of demand.
 - ii. Define TP, AP and MP. Explain their relationship under short run.
 - iii. Derive all short run average and marginal cost curves.
 - iv. Describe the features of perfect competition market.
 - v. Explain the wage fund theory of wage.
6. Answer **all** questions: [5×2=10]
 - a. Distinguish between movement along and shift in supply curve.

- b. State the assumptions of concept of consumer's surplus.
- c. Define capital formation.
- d. Distinguish between fixed cost and variable cost.
- e. Define economic rent and contract rent.

Group B

7. Explain the quantity theory of money. What are its criticisms? [8+2]
Or
Define central bank. Explain the various functions of central bank. [2+8]
8. Answer any **two** questions [2×5=10]
 - i. What are the major roles of Money? Explain
 - ii. What are the major difficulties in construction of price index number? Explain.
 - iii. Describe the major functions of commercial bank.
9. Answer **all** questions [5×2=10]
 - a. State the different kinds of money.
 - b. What is the meaning of value of money?
 - c. Define demand pull inflation.
 - d. What are the difficulties of barter exchange system?
 - e. What are the major types of bank?