



Roll No.....

Total No. of Questions : 32]

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XIIARKDN20

2016-C

ECONOMICS

Time : 3 Hours]

[Maximum Marks : 100

Section-A

(Very Short Answer Type Questions)

1. Define Economy.
2. Define Demand Curve.
3. What is meant by Utility ?
4. Define Fixed Cost.
5. What is meant by Zero Elastic Supply ?

(Short Answer Type Questions-I)

6. Explain how scarcity and choice go together.

Or

Explain the problem 'how to produce' with the help of an example.

7. Explain the meaning of consumers equilibrium with the help of table.

Or

Distinguish between complementary good and substitute good.

8. Explain any three determinants of demand for a commodity by a household

Or

Draw a demand schedule of a commodity whose price elasticity of demand is unitary.

9. Distinguish between returns to scale and returns to a factor.

Or

Explain diagrammatically that total revenue is maximum when marginal revenue is zero.

10. Explain the relationship between marginal cost and average variable cost with the help of a diagram.

Or

Explain Break-even Point with the help of diagram.

(Short Answer Type Questions-II)

11. State the Law of Demand. Describe income and substitution effects of change in price.

Or

What is meant by Price Elasticity of Demand ? Explain any two factors that affect it.

12. What are Diminishing Returns to Scale ? What causes diminishing returns ?

Or

Explain the Concept of Supply with the help of a table and diagram.

13. Mention any four features of Perfect Competition.

Or

Differentiate between Price discrimination and Product differentiation,

(Long Answer Type Questions)

14. Explain consumers equilibrium, in case of a single commodity, with the help of a utility schedule and diagram.

Or

Explain point method for measuring price elasticity of demand.

15. Explain the law of variable proportions with the help of total product and marginal product curves.

Or

Define elasticity of supply. Explain its various types diagrammatically.

16. Explain the characteristic of monopolistic competition. Compare demand curves under monopolistic competition and monopoly

Or

What do you understand by equilibrium price ? How do the factors of demand and supply determine equilibrium price ?

Section-B

(Very Short Answer Type Questions)

17. Macro means agents. (Small/Large)

18. Give the other name used for National Income.

19. Which is the most liquid measure of money supply ?

(A) M_4

(B) M_3

(C) M_2

(D) M_1

20. Define CC economy.

21. State any one objective of Government Budget.

(Short Answer Type Questions-I)

22. What are any three differences between microeconomics and macroeconomics ?

Or

What do you mean by Intermediate goods ?

23. What is excess demand in Macroeconomics ? How does excess demand affect the level of output, employment and prices ?

Or

What is Monetary Policy ? Name its four instruments.

24. Distinguish between average propensity to save and marginal propensity to save.

Or

Draw diagrams that show

(i) Autonomous investment and

(ii) Induced investment.

25. Balanced budget is recommended as a useful policy instrument when the economy is close to the level of full employment. How ?

Or

What is meant by revenue receipts ? Explain the components of revenue receipts of the government.

26. State the difference between Spot market and Forward market.

Or

Balance of payments always balances. Explain.

(Short Answer Type Questions-II)

27. What are the factors of production and what are the remuneration of each of these called ?

Or

What precautions are necessary while estimating national income by income method ?

28. Distinguish between development and non-development expenditure.

Or

What is the significance of primary deficit ?

29. What is Parity Value ?

Or

Distinguish between Autonomous and Accommodating Items

(Long Answer Type Questions)

30. Explain how national product and national income are identical in a circular flow model.

Or

Explain the concept of national disposable income. How is it different from national income?

31. Explain with the help of diagrams that the equilibrium level of income and employment is not necessarily at a full employment level.

Or

Explain the working of investment multiplier with the help of numerical example.

32. What do you understand by Money ? What are its functions ?

Or

Explain the main functions of Central Bank.