Expected questions for XII Board examination 2013

Class- 12th

Subject- Economics

Section A-Micro Economics

UNIT 2: CONSUMER BEHAVIOUR AND DEMAND (18 MARKS)

Q1. Explain the consumer’s equilibrium analysis with ordinal utility analysis or indifference curve analysis.

Q2. Explain consumer’s equilibrium in case of a single commodity, with the help of a utility schedule.

Q3. Explain Law of demand with demand schedule and demand curve.

 Q4. What are the reasons for the downward sloping demand curve?

Or

        Reasons for the operation of law of demand?

Q5. State law of diminishing marginal utility with table and diagram.

Q6. What do you understand by price elasticity of demand? What are the degrees or kinds of elasticity?

Q7. Explain the factors influencing price elasticity of demand.

Q8. Explain the expenditure method of measuring price elasticity of demand of a commodity.

Q9.How is elasticity of demand measure with the help of the point method?

Make a straight line demand curve and measure elasticity on different points of a demand curve.

Q10. Distinguish between Movement along the demand curve and shift in demand curve.

Or

Distinguish between change in quantity demanded and change in demand.

Q11. Distinguish between expansion and increase in demand or downward movement on the demand curve and rightward shift in demand curve.

Q12. Distinguish between contraction and decrease in demand or upward movement on demand curve and leftward shift in demand curve.

Q13. What is an indifference curve? Explain it with a table and curve and what are the properties of indifference curve?

Q14. Explain marginal rate of substitution with a table and diagram.

UNIT 3 – PRODUCER BEHAVIOUR AND SUPPLY(18MARKS)

Q15. Explain producer’s equilibrium with TC and TR and MC and MR approach.

Or

How does a producer maximize his profits use table and diagram.

Q16. Explain Law of Variable proportion or return to a factor with a table and using TP and MP diagrams.

Q17. Define supply of a commodity and explain factors affecting its supply.

Q18. Define law of supply with schedule and diagram.

Q19. Define price elasticity of supply and factors influencing elasticity of supply.

Q20. Explain various degrees or kinds of elasticity of supply.

Q21. Explain geometric or graphical method of measuring elasticity of supply.

Q22. Distinguish between change in quantity supplied and change in supply or movement along supply and shift in supply curve.

Q23. Distinguish between expansion and increase in supply and contraction and w

Q24. Explain the relationship between TR and MR.

Q25. Explain the relationship between AC or ATC and MC.

Q26. Explain the relation between AC, AVC and AFC.

Q26. Why AC, AVC and MC are U- shaped curves?

UNIT-4 FORMS OF MARKET AND PRICE DETERMINATION (10 MARKS)

Q27. What is perfect competition? Explain its main features.

Q28.Define Monopoly and explain its important features.

Q29. Explain monopolistic market with its features.

Q30. Define Oligopoly. Explain the features of Oligopoly.

Q31. How is the equilibrium price determined under perfect competition? Explain with the help of a table and diagram.

Q32. Explain the effect of decrease and increase in demand of a commodity on its equilibrium price and quantity.

Q33. Explain the effect of decrease and increase in supply of a commodity on its equilibrium price and quantity.

Q34. Explain the effect of simultaneous increase in both demand and supply on equilibrium price and quantity.

Q35. Explain the effect of simultaneous decrease in both demand and supply on equilibrium price and quantity.

UNIT-1- INTRODUCTION TO MICRO ECONOMICS (4 MARKS)

Q36. Explain the problem of what, how and for whom to produce (Central problems of an economy).

Q37. What is an economic problem and why does it arise?

Q38. Distinguish between microeconomics and macroeconomics.

Q39. Distinguish between a centrally planned economy and a market economy.

Q40. Distinguish between positive economics and normative economics.

Q41. Define and draw a Production Possibility Curve with a hypothetical schedule.

Q42. Why is a PPC concave to the origin and downward sloping from left to right?

Q43. Draw a PPC and the problem of (a) full utilization of resources (b) underutilization of resources and  (c)Growth of resources.

Section B- Macro Economics

UNIT – 6: NATIONAL INCOME AND RELATED AGGREGATES (15 marks)

Q44. Distinguish between consumption goods and capital goods.

Q45. Distinguish between intermediate goods and final goods.

Q46. Distinguish between stocks and flows.

Q47. Distinguish between real GDP (GNP) and nominal GDP (GNP).

Q48. Explain circular flow of income with 2 sector model.

Q49. Distinguish between domestic product and national product on the basis of concepts of resident and domestic territory.

Q50. Distinguish between factor income and transfer income.

Q51. Discuss the steps and precautions of value added, income and expenditure method for calculating national income.

Q52. Numerical on value added, income and expenditure method of national income and private income personal income personal disposable income and national disposable income.

UNIT- 7 MONEY AND BANKING (8 MARKS)

Q53. What is a barter system? Explain the drawbacks of barter system.

Q54. Define Money. Explain briefly main functions of money.

Q55. Define money supply. Explain different measures of money supply used by RBI in India.

Q56. Explain credit creation function of commercial bank.

Or

Explain the process of money creation by the commercial banking system with help of suitable example.

Q57. Briefly explain the main functions of central bank (RBI).

Q58. Briefly explain different qualitative and quantitative methods of credit control by central bank (RBI).

UNIT- 8 DETERMINATION OF INCOME AND EMPLOYMENT (12 MARKS)

Q59. Define Aggregate demand and its components.

Q60. Define APC, APS, MPC and MPS. Discuss the relationship among all these concepts.

Q61. Define consumption and saving function. Explain breakeven point (BEP) on consumption and e

Q62. Explain determination of equilibrium level of income and employment by AD-AS approach.

Q63. Explain determination of equilibrium level of income and employment by Saving and investment approach.

Q64. Briefly explain the working of the investment multiplier with an example.

Q65. What is excess demand or inflationary gap in macroeconomics? Show it on a diagram. Suggest 3 fiscal and monetary measures to solve this problem.

Q66. Explain the problem of deficient demand or deflationary gap in macroeconomics using diagram. Suggest 3 fiscal and monetary measures to rectify this problem.

Or

Explain with the help of diagram the situation of underemployment equilibrium.

UNIT- 9 GOVERNMENT BUDGET AND THE ECONOMY (8 MARKS)

Q67. Define government budget. State its objectives.

Q68. Distinguish between revenue receipts and capital receipts in a government budget. Give 3 examples of each.

Q69. Distinguish between revenue expenditure and capital expenditure in a government budget. Give 3 examples of each.

Q70. Distinguish between direct and indirect tax. Give two examples of each.

Q71. Explain the terms plan and non-plan expenditure of government. Give two examples of each.

Q72. Explain the terms development and non- development of government budget. Give two examples of each.

Q73. What is meant by revenue deficit, fiscal deficit and primary deficit? What are the implications of each on the economy?

UNIT-10 BALANCE OF PAYMENTS (7 MARKS)

Q74. Distinguish between balance of trade and balance of payments.

Q75. Distinguish between current and capital account of balance of payments account. State two components of each.

Q76. Distinguish between accommodating and autonomous items in BOP.

Q77. “Balance of payments always balances”. Discuss.

Q78. What is foreign exchange rate? Distinguish between fixed and flexible exchange rates.

Q79. Explain three merits and demerits of fixed and flexible exchange rate.

Q80.How is foreign exchange rate determined in a foreign exchange market? Explain using diagrams.

Q81. Explain the relationship between demand for and supply of foreign exchange. Give three reasons each for demand for foreign exchange and supply of foreign exchange.

Department Of Economics

International Indian School

Jeddah