

B-2-Z

Roll No.....

Total No. of Questions : 31]

[Total No. of Printed Pages : 8

**12th ARM(SZ)JKUT2024
1102-Z**

ECONOMICS

Time : 3 Hours]

[Maximum Marks : 80

General Instructions :

- (i) Section-A contains Very Very Short Answer Type Questions of 1 mark each. (1×10=10)
- (ii) Section-B contains 10 Very Short Answer Type Questions of 2 marks each to be answered in 20 to 30 words. (2×10=20)
- (iii) Section-C contains 8 Short Answer Type Questions of 4 marks each to be answered in 100 to 150 words. (4×8=32)
- (iv) Section-D contains 3 Long Answer Type Questions of 6 marks each to be answered in 150 to 200 words. (6×3=18)

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Turn Over

SECTION-A

(VERY VERY SHORT ANSWER TYPE QUESTIONS) 1 each

1. Economics is a positive science because :
 - (A) It expresses opinion
 - (B) It studies facts
 - (C) It gives suggestions
 - (D) All of these

2. Production Possibility curve is :
 - (A) Convex to the point of origin
 - (B) Concave to the point of origin
 - (C) Upward sloping curve
 - (D) None of these

3. Microeconomics is not concerned with the behaviour of :
 - (A) National income
 - (B) A consumer
 - (C) A firm
 - (D) A producer

4. Elasticity of demand was explained by :
- (A) Adam Smith
 - (B) Alfred Marshall
 - (C) Robbins
 - (D) None of these
5. In perfect competition, price is determined independently by a firm.
(True/False)
6. Under perfect-competition AR and price are always equal.
(True/False)
7. Commercial Banks are regarded as creators of money because they buy securities from the Central Banks. (True/False)
8. Money is a matter of functions four, a medium, a measure, a standard and
9. When the consumption expenditure is more than the income, the value of APS will be
10. When $MPC = 0$, K will be equal to

SECTION-B

(VERY SHORT ANSWER TYPE QUESTIONS) 2 each

11. Explain how scarcity and choice go together.
12. Give *two* factors which affect price elasticity of demand.
13. Define MP. When is TP maximum in relation to MP ?
- ~~14.~~ Which concept of revenue is called price ?
- ~~15.~~ What is meant by Market Equilibrium ?
16. Mention the primary functions of money.
- ~~17.~~ Define Central Bank.
18. What is Autonomous Investment ?
19. Give *two* examples each of direct tax and indirect tax.
- ~~20.~~ What is BOP ? Name any *two* types of BOP accounts.

SECTION-C

(SHORT ANSWER TYPE QUESTIONS) 4 each

21. Fall in the price of a commodity always leads to expansion of its demand. Comment.

(5)

Or

The demand function of a commodity X is given by $Q_x = 30 - 4P_x$ where $P_x = 6, 5, 4, 3, 2, 1$. Find the individual demand schedule.

22. What is Supply ? How does it differ from stock ?

Or

Complete the following table when each unit of commodity can be sold at ₹ 5 :

Quantity sold (units)	1	2	3	4	5	6	7
TR	-	-	-	-	-	-	-
MR	-	-	-	-	-	-	-
AR	-	-	-	-	-	-	-

23. Mention any four features of perfect competition.

Or

Analyse the impact of :

- (i) Increase in the number of firms and
- (ii) Decrease in input price on the equilibrium price and equilibrium quantity. Use diagram.

24. Explain circular flow of income in two sector economy with the help of suitable diagram.

Or

What is the difference between Personal Disposable Income and National Disposable Income.

25. How is Equilibrium level of Income determined ?

Or

Derive the formula :

$$K = \frac{1}{1 - MPC}$$

26. What fiscal measures would you recommend to combat deficient demand ?

Or

Define aggregate demand. State its components.

27. Briefly describe how the government budget contributes to the process of growth and stability.

Or

How can the deficit in the budget be financed ?

28. What are the causes of disequilibrium in balance of payments ?
Explain.

Or

Distinguish between fixed and flexible exchange rate.

SECTION-D

(LONG ANSWER TYPE QUESTIONS)

6 each

29. Explain any *four* determinants of demand and express them in the form of demand function.

Or

What is meant by elasticity of demand ? Explain the degrees of price elasticity of demand. <https://www.jkboseonline.com>

30. Explain the law of variable proportions with the help of a diagram. In which stage of the law a producer finds his equilibrium and why ?

Turn Over

(8)

Or

How is price elasticity of supply measured with percentage method ?

Also calculate price elasticity of supply from the following schedule of a product X when its price falls from ₹ 5 to ₹ 3.

Price (₹)	Quantity (Units)
6	60
5	55
4	45
3	30
2	0

31. Give an outline of the steps involved in estimation of National Income with the help of income method. State the necessary precautions.

Or

Explain any four limitations of using GDP as a measure of welfare of a country.