Roll No.................................

B–2–Z

Total No. of Questions : 31]

[Total No. of Printed Pages : 8

12th ARF(SZ)JKUT2024–25

302–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)

SECTION–A

(VERY-VERY SHORT ANSWER TYPE QUESTIONS) 1 each

The study of Individual unit of an industry is called :

A) Micro economics

B) Macro economics

C) Income and employment

D) None of these

Adam Smith's book "Wealth of Nation" was published in :

A) 1876

B) 1908

C) 1776

D) 1770

Getting maximum satisfaction by consumer with his given income is known as :

(A) Consumers' equilibrium

B) Producers' equilibrium

C) Production function

(D) None of these

4. In case of Giffen goods, the demand curve has .... slope.

(A) Negative

(B) Positive

(C) Normal

(D) None of these

5. In perfect competition, price is determined independently by a firm.

(True/False)

6. When demand decreases more than a decrease in supply, equilibrium price will rise ? (True/False)

7. Export receipts are not a part of net factor income from abroad.

(True/False)

8. NDP_{FC} = NDP_{MP} – Indirect Taxes + ...

9. Accommodating items in BoP accounts are often referred to as..........

10. Flexible exchange rate is called ....

SECTION–B

(VERY SHORT ANSWER TYPE QUESTIONS) 2 each

11. Give two basic assumptions of production possibility curve.

12. What is unitary elastic demand ?

13. Why is ATC greater than AVC ?

14. What effect does a cost saving technology have on supply curve ?

15. In which form of market, firm and industry are same ?

16. What do you mean by Legal Tender Money ?

17. Define a Commercial Bank.

18. Name the two components of LRR.

19. Give two examples of non-tax revenue receipts.

20. Give the formula for calculating GNP deflator.

SECTION–C

(SHORT ANSWER TYPE QUESTIONS) 4 each

21. Distinguish between individual demand and market demand.

Or

Explain the effect of rise in prices of related goods on demand for a commodity.

22. The fixed costs of firm are ₹ 60, its ATC at different levels of output is given below. Calculate AVC and MC.

Output (units)	1	2	3	4
ATC (₹)	90	58	48	44

Or

What is the relationship between marginal cost and average cost ?

23. How is price determined in the market ?

Or

Explain the conditions of Perfect Competition. Why is the demand curve facing a firm under perfect competition perfectly elastic ?

24. Give the meaning of Marginal propensity to save and Average propensity to save. Can the value of APS be negative ? If yes, when ?

Or

How would you show working of multiplier ?

25. How equilibrium level of income and output achieved ?

Or

Explain briefly the concepts of involuntary unemployment and voluntary unemployment.

26. Explain the role of taxation in reducing excess demand.

Or

What is consumption function ? Give its algebraic expression.

27. What is the difference between revenue budget and capital budget ?

Or

Distinguish between fiscal deficit and revenue deficit. What does fiscal deficit indicate ?

28. What is current account ? Explain its components.

Or

Distinguish between devaluation and depreciation of domestic currency.

SECTION–D

(LONG ANSWER TYPE QUESTIONS) 6 each

29. State and explain law of diminishing marginal utility.

Or

Explain various degrees of price elasticity of demand.

30. What is elasticity of supply ? How is it measured by percentage method ? Give example.

Or

Differentiate between (i) Extension of supply and Increase in supply (ii) Contraction of supply and Decrease in supply.

31. Explain the circular flow of income in a simple economy.

Or

Explain the income method of measuring national income.

B–2–Y

Roll No. ....

Total No. of Questions : 31]

[Total No. of Printed Pages : 8

12^{th}ARF(SZ)JKUT2024–25

302–Y

ECONOMICS

Time : 3 Hours]

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SECTION–A

(VERY-VERY SHORT ANSWER TYPE QUESTIONS) 1 each

1. Branch of economics which studies economy as a whole is known as :

(A) International Economics

(B) Micro Economics

(C) Macro Economics

(D) None of these

2. Full utilisation of resources point lies on which side of PPC ?

(A) Left side

(B) On the PPC

(C) Right side

(D) Inside PPC

3. Utility is measured in :

(A) Utils

(B) Rupees

(C) Rank

(D) None of these

4. Goods whose demand increases with the increase in income ?

(A) Normal goods

(B) Inferior goods

(C) Giffen goods

(D) All of these

5. Product differentiation is the main feature of perfect competition.

(True/False)

6. There is no selling cost in perfect competition. (True/False)

7. Personal income – personal disposable income = ...

8. Value added refers to output minus ....

9. Autonomous items in BoP accounts are often referred to as ....

10. Balance of payment is .... concept. (Stock/Flow)

SECTION–B

(VERY SHORT ANSWER TYPE QUESTIONS) 2 each

11. Define normative economics.

12. Distinguish between desire and demand.

13. In which period law of returns to scale operate ?

14. What causes a shift in a supply curve of a commodity ?

15. In which market form are the products homogeneous ? Give one example of homogeneous product.

16. Name any *two* functions of commercial banks.

17. What is meant by money supply ?

18. Name the two components of LRR.

19. Give two examples of non-tax revenue receipts.

20. Give the formula for calculating GNP deflator.

SECTION–C

(SHORT ANSWER TYPE QUESTIONS) 4 each

21. Distinguish between individual demand and market demand.

Or

Explain the effect of rise in prices of related goods on demand for a good.

22. The fixed costs of firm are ₹ 60, its ATC at different levels of output is given below. Calculate AVC and MC.

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How would you show working of multiplier ?

25. How equilibrium level of income and output achieved ?

Or

Explain briefly the concepts of involuntary unemployment.

26. Explain the role of taxation in reducing excess demand.

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27. What is the difference between revenue budget and capital budget ?

Or

Distinguish between fiscal deficit and revenue deficit. What does fiscal deficit indicate ?

28. What is current account ? Explain its components.

Or

Distinguish between devaluation and depreciation of domestic currency.

SECTION–D

(LONG ANSWER TYPE QUESTIONS) 6 each

29. State and explain law of diminishing marginal utility.

Or

Explain various degrees of price elasticity of demand.

30. What is elasticity of supply ? How is it measured by percentage method ? Give example.

Or

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31. Explain the circular flow of income in a simple economy.

Or

Explain the income method of measuring national income.

B–2–X

Roll No.

Total No. of Questions : **31**]

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12^{th}ARF(SZ)JKUT2024–25

302–X

ECONOMICS

Time : 3 Hours]

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SECTION–A

(VERY-VERY SHORT ANSWER TYPE QUESTIONS) 1 each

1. What type of science is economics ?

(A) Positive

(B) Normative

(C) Both (A) and (B)

(D) None of these

2. Economic problems mainly arises due to :

(A) Scarcity of resources

(B) Unlimited wants

(C) Alternative use of resources

(D) All of these

3. Want satisfying power is known as :

(A) Consumption

(B) Utility

(C) Production

(D) Exchange

4. Which of the following is determinant of demand ?

(A) Price of a good

(B) Taste

(C) Income of the consumer

(D) All of these

5. Demand curve of a firm under perfect competition is perfectly elastics. (True/False)

6. When income of buyers rises, equilibrium price falls. (True/False)

7. Income from exports is a part of net factor income from abroad. (True/False)

8. Remittances by NRIs are a part of our national income. (True/False)

9. .... market deals with current sale and purchase of foreign exchange.

10. Balance of trade includes only .... items.

SECTION–B

(VERY SHORT ANSWER TYPE QUESTIONS) 2 each

11. Why PPC is concave to origin ?

12. Give two exceptions of law of demand.

13. In which period law of variable proportion operate ?

14. What causes a movement along a supply curve of a good ?

15. In which market form AR and MR of a firm are always equal ?

16. What is cash reserve ratio ?

17. Write primary functions of money.

18. Name the two components of LRR.

19. Give two examples of non-tax revenue receipts.

20. Give the formula for calculating GNP deflator.

SECTION–C

(SHORT ANSWER TYPE QUESTIONS) 4 each

21. Distinguish between individual demand and market demand.

Or

Explain the effect of rise in prices of related goods on demand for a good.

22. The fixed costs of firm are ₹ 60, its ATC at different levels of output is given below. Calculate AVC and MC.

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Or

Explain the conditions of Perfect Competition. Why is the demand curve facing a firm under perfect competition perfectly elastic ?

24. Give the meaning of Marginal propensity to save and Average propensity to save. Can the value of APS be negative ? If yes, when ?

Or

How would you show working of multiplier ?

25. How equilibrium level of income and output achieved ?

Or

Explain briefly the concepts of involuntary unemployment and voluntary unemployment.

26. Explain the role of taxation in reducing excess demand.

Or

What is consumption function ? Give its algebraic expression.

27. What is the difference between revenue budget and capital budget ?

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28. What is current account ? Explain its components.

Or

Distinguish between devaluation and depreciation of domestic currency.

SECTION–D

(LONG ANSWER TYPE QUESTIONS) 6 each

29. State and explain law of diminishing marginal utility.

Or

Explain various degrees of price elasticity of demand.

30. What is elasticity of supply ? How is it measured by percentage method ? Give example.

Or

Differentiate between (i) Extension of supply and Increase in supply (ii) Contraction of supply and Decrease in supply.

31. Explain the circular flow of income in a simple economy.

Or

Explain the income method of measuring national income.

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12th ARNKD(W/Z) JKLUT-2025

1102-C

ECONOMICS

Time : 3 Hours]

[Maximum Marks : 80

Note:- **"Attempt any 68 Marks out of 80 Marks".**

SECTION-A

(Very Very Short Answer Type Questions)

(1 mark each)

1. Economic problem arises due to plenty of resources. (True/False)

2. Opportunity cost means the cost of giving up the next best alternative. (True/False)

3. When income of consumer falls, demand for inferior goods will rise. (True/False)

4. What would be elasticity of demand for necessary goods.

(Less elastic/Elastic)

5. In which type of market, a firm is price taker ....

(Competitive market/Monopoly)

6. When cost of production rises due to rise in factors of production, equilibrium price will .... (Rise/Fall)

7. Money has removed the major difficulty of the .... system.

(a) Industrial

(b) Barter

(c) Market

(d) Trade

8. Central bank acts as a banker to:

(a) Only private firms

(b) Government and commercial banks

(c) Foreign companies

(d) General public

9. Investment Multiplier establish the relationship between

(a) Income and consumption

(b) Saving and Investment

(c) Investment and Income

(d) None of these

10. Central Bank can correct the problem of excess demand by adopting which of following policy measure?

(a) By increasing Marginal Requirement Ratio

(b) Raising Cash Reserve Ratio

(c) By Raising Repo Rate

(d) All of the above

SECTION-B

(Very Short Answer Type Questions)

(2 marks each)

11. What is the problem of "What to produce"?

12. What is consumer's equilibrium?

13. What is meant by quantity supplied?

14. Define Marginal Cost.

15. Define Price Floor.

16. Name the four measures of money supply in India.

17. What is the cash reserve ratio (CRR)?

18. What is meant by Average Propensity to Consume?

19. What is direct Tax?

20. Define Foreign Exchange Rate.

SECTION-C

(Short Answer Type Questions)

(4 marks each)

21. Explain the relationship between total utility and marginal utility.

OR

Distinguish between normal Good and inferior Good.

22. Distinguish between change in quantity supplied and change in supply.

(4) Use diagram.

OR

Explain the effect of following on supply of a commodity

(a) Fall in price of factor inputs

(b) Rise in price of other commodity.

23. Define Perfect Competition. What are its main characteristics.

OR

How are equilibrium price and quantity affected when income of the consumers?

(a) increases

(b) decreases

(4) 24. Explain the leakages and injections in the circular flow of income with examples.

OR

What is difference between Private Income and Personal Income?

25. What is aggregate demand? State its components.

OR

Define Investment Multiplier. Explain its relationship with MPC. What can be the minimum size of multiplier?

26. Explain involuntary unemployment and distinguish it from voluntary unemployment.

OR

Explain the concept of deficient demand in macroeconomics. Also explain the role of bank rate in correcting it.

27. What are the objectives of budget.

OR

Distinguish between revenue expenditure and capital expenditure.

28. On what grounds Balance of Trade and Balance of Payments are distinguished from each other.

OR

Discuss briefly Fixed exchange rate and flexible exchange rate.

SECTION-D

(Long Answer Type Questions)

(6 marks each)

29. What is meant by demand function? Explain its determinant.

OR

Explain in detail the different degrees of price elasticity of demand with suitable diagram.

30. Explain the law of variable proportions with the help of a schedule and diagram.

OR

Why short run average cost curve is U-shaped. Explain with the help of suitable diagram.

31. Explain the double counting problem in measuring National Income. How it can be avoided?

OR

Explain in brief the expenditure method of measuring national income. What are its precautions.

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12thARNKD(W/Z) JKLUT-2025

1102-B

ECONOMICS

Time : 3 Hours] **[Maximum Marks : 80**

***Note:*- "Attempt any 68 Marks out of 80 Marks".**

SECTION-A

(Very Very Short Answer Type Questions)

(1 mark each)

1. Scarcity is the root of all economic problems in an economy. (True/False)

2. The problem of choice is a result of scarcity of resources. (True/False)

3. In case of single commodity, consumer's equilibrium is reached when MU = Price . (True/False)

4. When income of consumer rises, demand for .... goods increases.

(normal/inferior)

5. When there are a large number of buyers and sellers, selling homogeneous goods at a single price is known as ....

(perfect competition/monopolistic competition)

6. The minimum price fixed by government for a product ....

(Minimum support price/controlled price.)

7. Broad money (M3) includes:

(a) M1 + Time deposits with banks

(b) Only currency with public

(c) Only demand deposits

(d) Gold reserves

8. Monopoly of note issue in India is with:

(a) Ministry of Finance

(b) State Bank of India

(c) Reserve Bank of India

(d) Indian Government Mint

9. When MPS = 0.4, What would be MPC?

(a) 0.3

(b) 0.4

(c) 0.5

(d) 0.6

10. What are the components of aggregate supply?

(a) Consumption

(b) Saving

(c) Both (a) and (b)

(d) None of above

SECTION-B

(Very Short Answer Type Questions)

(2 marks each)

11. What is the problem of "How to produce"?

12. What is meant by total utility?

13. Draw a perfectly elastic supply-curve.

14. How does change in technology affect supply?

15. Define Price Ceiling.

16. What does M1 include?

17. What is meant by the monopoly of note issue?

18. What is meant by Average Propensity to Consume?

19. What is direct Tax?

20. Define Foreign Exchange Rate.

SECTION-C

(Short Answer Type Questions)

(4 marks each)

21. Explain the relationship between total utility and marginal utility.

OR

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22. Distinguish between change in quantity supplied and change in supply. Use diagram.

OR

Explain the effect of following on supply of a commodity

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(b) Rise in price of other commodity.

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