

HERAMB COACHING CLASSES

XII/Economics

Marks: 80

Duration: 3 Hours

Date: 30/12/2018

Q.1 (A) Fill in the blanks with the proper alternatives given in the brackets: (5)

- 1) Microeconomics is concerned with the study of
(Aggregate demand/ aggregate supply/ individual demand/ national income)
- 2) When the price of petrol goes up, demand of cars will
(Rise/ fall/ not changed/ remain unchanged)
- 3) Under monopoly there is existence of
(Single buyer/ several buyers/ single seller/ several seller)
- 4) The reward of an entrepreneur is called
(Rent/ wages/ interest/ profit)
- 5) During depression budget is preferable.
(Balanced/ surplus/ deficit/ zero)

(B) Match the following: (5)

Group 'A'

- a) Inferior goods
- b) Profit method
- c) NNP
- d) Credit creation
- e) Moral suasion

Group 'B'

- 1) Personal Income – direct taxes
- 2) Derivative deposit
- 3) Giffen goods
- 4) Quantitative measures of credit control
- 5) Geometric method
- 6) Substitute goods
- 7) GNP-Depreciation
- 8) Qualitative measures of credit control

(C) State whether the following statements are true or false: (6)

- 1) Microeconomics follows general equilibrium analysis.
- 2) Demand curve slopes upwards from the left to the right.
- 3) There is no price discrimination under monopolistic competition.
- 4) Sunshine gets included in land.
- 5) The equality between the aggregate demand and aggregate supply determines the equilibrium level of employment.
- 6) All capital is wealth, but all wealth is not capital.

Q.2 (A) Define or explain the following concepts: (any 3) (6)

- 1) Partial equilibrium.
- 2) Possession utility.
- 3) Increase in demand.
- 4) Induced consumption expenditure.
- 5) Near money.

(B) Give reason or explain the following statements: (any 3) **(6)**

- 1) Demand curve slopes downward from the left to the right.
- 2) The entrepreneur is called a leader of the organisation.
- 3) Macroeconomics is different from microeconomics.
- 4) Saving account deposits are usually opened by salaried class.
- 5) Clearing house system economies the use of cash.

Q.3 (A) Distinguish between the following: (any 3) **(6)**

- 1) Demand curve and supply curve.
- 2) Insurable risk and non-insurable risk.
- 3) Macroeconomics and microeconomics.
- 4) Legal tender money and non-legal tender money.
- 5) Cash reserve ratio and statutory liquidity ratio.

(B) Write short note on: (any 2) **(6)**

- 1) Types of demand.
- 2) Geometric method measuring price elasticity of demand.
- 3) Advantages of paper money.
- 4) E-banking facility.

Q.4 Write short answers for the following questions: (any 3) **(12)**

- 1) What are the basic economics questions dealt with the microeconomics?
- 2) Explain variation in demand.
- 3) Explain the expenditure method of measuring elasticity of demand.
- 4) What are the determinants of supply?
- 5) What is double counting of national income?
- 6) What are the various measures of qualitative credit control?

Q.5 Explain with reason, whether you 'agree' or 'disagree' with the following statements: (any 3) **(12)**

- 1) Price is the only determinant of demand.
- 2) The concept of elasticity of demand has on importance.
- 3) There are certain exception to the law of supply.
- 4) Macroeconomics is individualistic.
- 5) Aggregate supply is influenced by the state the technology only.
- 6) Commercial banks perform agency functions to earn profit.

Q.6 Write explanatory answers: (any 2) **(16)**

- 1) State and explain the law of diminishing marginal utility.
- 2) What is perfect competition? Explain price determination under perfect competition.
- 3) Define national income. Explain the circular flow of national income.
- 4) Explain the equilibrium between aggregate demand and aggregate supply.

.....

