

Total No. of Printed Pages—8

HS/XII/A. Com/Ec/14

2 0 1 4

ECONOMICS

Full Marks : 100

Time : 3 hours

The figures in the margin indicate full marks for the questions

General Instructions :

- (i) Write all the answers in the Answer Script.
- (ii) Attempt Part—A (Objective Questions) serially.
- (iii) Attempt all parts of a question together at one place.

(PART : A—OBJECTIVE)

(Marks : 40)

SECTION—I

(Marks : 20)

A. Choose and write the correct answer of the following
from the given alternatives : 1×10=10

1. The production possibility curve is

- (a) concave to the origin
- (b) convex to the origin
- (c) downward sloping
- (d) upward sloping

(2)

2. Expansion and contraction in demand refer to the change in demand as a result of
 - (a) the change in income of the consumer
 - (b) the change in habit of the consumer
 - (c) the change in the price of a commodity
 - (d) the change in the prices of related goods

3. Wages of labour are
 - (a) average cost
 - (b) variable cost
 - (c) fixed cost
 - (d) marginal cost

4. Different brands of soaps, shampoos, toothpastes etc. are examples of
 - (a) perfect competition
 - (b) monopoly
 - (c) oligopoly
 - (d) monopolistic competition

5. The classical theory of interest was propounded by
 - (a) A. Smith and D. Ricardo
 - (b) A. Smith and A. Marshall
 - (c) A. Marshall and A. C. Pigou
 - (d) A. Marshall and I. Fisher

6. A. Wagner's law is associated with
- (a) public expenditure
 - (b) public revenue
 - (c) public debt
 - (d) public budget
7. Balance of trade refers to the export and import of
- (a) invisible items
 - (b) visible items
 - (c) visible and invisible items
 - (d) None of the above
8. Which of the following is not a part of the social infrastructure?
- (a) Education
 - (b) Medical service
 - (c) Transport
 - (d) Housing
9. Green Revolution implies the application of
- (a) high-yielding varieties of seeds
 - (b) chemical fertilizers
 - (c) irrigation
 - (d) All of the above

(4)

10. India launched its First Five-Year Plan in
- (a) 1949
 - (b) 1950
 - (c) 1951
 - (d) 1952

B. Fill in the blanks with appropriate word(s) : $1 \times 10 = 10$

1. The two activities that are crucial to the working of the economy are production and —.
2. When a commodity can be put to several uses, its demand will be —.
3. — is the change in total revenue resulting from a unit change in the output sold.
4. According to David Ricardo, rent is that portion of the produce of the earth which is paid to the landlord for the use of the — and indestructible powers of the soil.
5. Disposable personal income is defined as a sum of consumption expenditure and —.
6. According to H. Dalton, a — tax is really paid by the person on whom it is legally imposed.
7. A balance of payments statement consists of — account and capital account.

(5)

8. The infrastructure is also known as social overhead — in development economics.
9. The Industrial Policy, 1948 contemplated the establishment of a — economy.
10. The composition of export of India can be broadly classified into — and non-traditional items of export.

SECTION—II

(Marks : 20)

C. Answer any *ten* of the following in 2 or 3 sentences each : 2×10=20

1. Give the meaning of Micro-economics.
2. Distinguish between movement along the demand curve and shift in the demand curve.
3. Mention two factors affecting price elasticity of demand.
4. Distinguish between fixed costs and variable costs.
5. Point out two characteristic features of a monopoly market.
6. Define interest.
7. Explain per capita income.

(6)

8. Point out two demerits of an indirect tax.
9. What is public debt?
10. Give any two reasons which influence nations to trade with each other.
11. Explain the importance of any two components of infrastructure in the Indian economy.
12. What are the components of the Green Revolution?
13. Point out any two objectives of the Industrial Policy, 1991.
14. Give the definition of economic planning by H. D. Dickinson.

(7)

(PART : B—DESCRIPTIVE)

(Marks : 60)

Answer **ten** questions, taking **four** from Section—I and **three** each from Section—II and Section—III

SECTION—I

1. Give an explanation of the circular flow of income with the help of a figure. 6
2. State and explain the law of diminishing marginal utility with the help of a table and a diagram. 1+5=6
3. What is price elasticity of demand? Measure price elasticity of demand with the help of the total outlay method. 1+5=6
4. Explain, with the help of diagram, the equilibrium of a firm under perfect competition. 6
5. What is economic rent? Explain Ricardian theory of rent under extensive cultivation. 1+5=6
6. Explain the uncertainty bearing theory of profit. 6

SECTION—II

7. What is Macro-economics? Differentiate between Micro-economics and Macro-economics. 1+5=6

(8)

8. Define national income. Distinguish between national income and per capita income. 2+4=6
9. Give an account of the increase in public expenditure in recent times. 6
10. Explain the concepts of balance of payments and balance of trade. 4+2=6
11. What is a public budget? Explain the concepts of revenue receipts and capital receipts. 1+5=6

SECTION—III

12. Examine the development of infrastructure in India. 6
13. Point out the problems faced by Indian agriculture. 6
14. Discuss the role of cottage and small-scale industries in the Indian economy. 6
15. Describe the direction of India's foreign trade. 6
16. Examine the main features of economic reforms introduced in India in 1991. 6
