

**DELHI PUBLIC SCHOOL, JAMMU**  
**REVISION SHEET FOR CYCLE TEST 1**  
**SESSION 2018-19**

**Class: XII**

**Sub: Economics**

**Topics:**

**1. Introduction to Economics    2. Cardinal and ordinal utility**

**Very Short Questions:**

1. What is diminishing marginal rate of substitution?
2. What is Marginal opportunity cost?
3. Why does an economic problem arise? Explain.
4. Define the term Economics.
5. What is Consumer Equilibrium?
6. Define the term Utility .
7. What is Indifference Curve?

**Short Questions:**

8. Why is Production Possibility Curve Concave? Explain.
9. Higher consumption of a commodity may mean lower and lower marginal utility, but it never implies negative utility. Do you agree?
10. Show the various situations in the production possibility curve .
11. Why does marginal rate of substitution tends to decline ?

**Long Questions:**

12. Explain the law of diminishing marginal utility with the help of total utility Schedule.
13. Differentiate between Cardinal approach and Ordinal approach.
14. On what factors position of budget line depends?
15. Define the terms- indifference curve, indifference map budget line , budget set and slope of budget line .