

Important Questions for Class 12 Economics

Microeconomics

Chapter 1: Introduction to Microeconomics

- What is the difference between microeconomics and macroeconomics?
- Define opportunity cost with examples.
- Explain the central problems of an economy.

Chapter 2: Theory of Consumer Behavior

- Define the law of demand with the help of a diagram.
- What are the factors affecting demand for a good?
- Explain the concept of price elasticity of demand.
- Derive the indifference curve and explain its properties.

Chapter 3: Production and Cost

- Explain the law of diminishing marginal returns with a diagram.
- What is the relationship between Total Product, Average Product, and Marginal Product?
- Define economies of scale and give examples.

Chapter 4: Market Equilibrium

- Explain the concept of equilibrium price and quantity in a market.
- Discuss the effects of a shift in demand or supply on market equilibrium.

Chapter 5: Forms of Market

- Differentiate between perfect competition and monopoly.
- What is price discrimination? Provide examples.
- Discuss the features of monopolistic competition.