

(English Version)

- Instructions :**
1. Write the question numbers **legibly** in the margin.
 2. Answer for the questions should be continuous.

PART – A

I. Choose the correct answer :

(10 × 1 = 10)

1) Utility is

- | | |
|---------------------|----------------------|
| a) Objective | b) Subjective |
| c) Both (a) and (b) | d) None of the above |

2) The change in output per unit of change in the input is called

- | | |
|---------------------|--------------------|
| a) Marginal product | b) Average product |
| c) Total product | d) Product |

- 3) A market structure which produces heterogeneous products is called
- a) Monopoly b) Monopolistic competition
c) Perfect competition d) None of the above
- 4) The individuals or institutions which take economic decisions are
- a) Economic variables b) Economists
c) Economic agents d) None of the above
- 5) The study of the National Income is related to
- a) Micro Economics
b) Macro Economics
c) Both Micro and Macro
d) None of the above

6) The main function of money is

- a) Saving
- b) Expenditure
- c) Medium of Exchange
- d) Investment

7) Easy availability of credit encourages

- a) Encourages of saving
- b) Encourages of Investment
- c) Encourage the rate of Interest
- d) None of the above

- 8) Duties levied on goods produced within the country
- a) Service tax
 - b) Estate Duties
 - c) Excise Duties
 - d) Customs Duties
- 9) In this standard all currencies were defined in terms of Gold
- a) Metal standard
 - b) Silver standard
 - c) Gold standard
 - d) None of the above
- 10) The balance of payments record these transactions between residents and with the rest of the world.
- a) Goods
 - b) Services
 - c) Assets
 - d) All of the above

II. Fill in the blanks by choosing correct answer from the bracket : **(5 × 1 = 5)**
(Final, Average Revenue, Not Consumed, April 1st to March 31st, RBI)

- 11) The Revenue received by the firm per unit of commodity sold is called _____.
- 12) _____ Goods will not pass through any more stages of production.

13) _____ is the only institution which can issue currency in India.

14) Savings is the part of Income that is _____.

15) Financial year runs from _____ to _____ in India.

III. Match the following.

(5 × 1 = 5)

16)

A

B

- | | | | |
|----|--------------------|------|----------------|
| a) | Service of Teacher | i) | Dirty floating |
| b) | Normal Profit | ii) | Skill |
| c) | Market Equilibrium | iii) | Trade in goods |
| d) | Balance of trade | iv) | Zero Profit |
| e) | Managed floating | v) | QD = QS |

PART – B

IV. Answer **any nine** of the following in **4** sentences **each**.

(9 × 2 = 18)

17) What are the differences between budget line and budget set?

18) What do you mean by Inferior goods? Give example.

19) What is monotonic preference?

-
- 20) Mention two different approaches which explain consumer behaviour.
- 21) Mention the two determinants of a firm's supply curve.
- 22) Define equilibrium price and quantity.
- 23) Write the features of monopoly.
- 24) State the meaning of Average Revenue and Marginal Revenue.

25) What are the four factors of production? Mention their rewards.

26) Distinguish between stock and flow.

27) Give the meaning of CRR and SLR.

28) Give the meaning of paradox of thrift.

29) Who are free riders? Why are they called so?

29) Who are free riders? Why are they called so?

30) What is foreign exchange rate?



V. Answer **any seven** of the following questions in **12** sentences **each**.
(7 × 4 = 28)

31) Write a short note on Market Economy.

32) Explain the long run costs.

33) Write a short note on Profit Maximisation of a firm under the following conditions.

a) $P = MC$

b) MC must be non decreasing at q_0 .

34) Explain the role of the Government (State) and household sector in both developed and developing countries.

35) Write a note on externalities.

36) Illustrate unplanned accumulation and decumulation of inventories with the example.

37) Briefly explain the functions of RBI.

39) Write the chart of the Government Budget.

40) Does public debt impose a burden? Explain.

41) Write a note on balance of trade.

PART – D

VI. Answer **any four** of the following questions in **20** sentences each.
(4 × 6 = 24)

42) Explain the features of indifference curves with help of diagrams.

43) Explain market supply curve with the help of diagram.


44) Suppose the demand and supply curves of wheat are given by $q^D = 200 - P$, $q^S = 120 + P$.

a) Find the equilibrium price.

b) Find the equilibrium quantity of demand and supply.

c) Find the quantity of demand and supply when $P >$ equilibrium price.

d) Find the quantity of demand and supply when $P <$ equilibrium price.


-
- 
- 45) Explain the short run equilibrium of a monopolist with the case of zero cost.
 - 46) Explain the macro economic identities.
 - 47) Explain the functions of money. How does money overcome the short comings of the barter system?
 - 48) Write a short note on the Gold Standard.
-

PART – E

VII. Answer **any two** of the following Project oriented questions.

(2 × 5 = 10)

- 49) A Consumer wants to consume two goods. The price of Bananas is Rs.5 and price of Mangoes is Rs.10. The consumer income is Rs.40.
- How many bananas can she consume if she spend her entire income on that good?
 - How many Mangoes can she consume if she spend her entire income on that good?

- 
- c) Is the slope of budget line downward or upward?
 - d) Are the bundles on the budget line equal to the consumer's income or not?
 - e) If you want to have more of Banana, you have to give up Mangoes. Is it true?

50) Find the missing products of the following table :

Factor I	TP	MP	AP
0	0	0	0
1	10	—	10
2	24	—	12
3	40	16	13.33
4	—	10	—
5	—	6	11.2
6	57	1	9.5

(For Blind students only)

Give the meaning of TP, MP and AP.

51) Name the currencies of **any five** countries of the following :

USA, UK, Germany, Japan, China, Argentina, UAE, Bangladesh, Russia.

