

DAY — **13**

SEAT NUMBER

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2019	III	09	1100	<b>J-107</b>	(E)
<b>ECONOMICS (49)</b>					
Time : 3 Hrs.		(4 Pages)		Max. Marks : 80	

- Note :** (1) All questions are compulsory.  
(2) Draw neat tables / diagrams wherever necessary.  
(3) Figures to the right indicate full marks.  
(4) Write answers to all main questions on new pages.

**Q. 1. (A)** Fill in the blanks using appropriate alternatives given in the brackets : [16] [16]  
(5)

- (1) \_\_\_\_\_ is regarded as the father of 'Economics'.  
(Prof. Marshall / Adam Smith / Ragner Frisch / Robbins)
- (2) The demand for perishable goods is \_\_\_\_\_.  
(elastic / inelastic / unit elastic / perfectly inelastic)
- (3) \_\_\_\_\_ consumption cannot be zero.  
(Induced / Autonomous / Government / Private)
- (4) The e-banking facility is provided through \_\_\_\_\_.  
(telephone / debit card / internet / credit card)
- (5) The duration of government budget is \_\_\_\_\_ years.  
(one / two / five / ten)

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(B) Match the following words from group 'A' and 'B' : (5)

- | Group 'A'  | Group 'B'                          |
|--|------------------------------------|
| (a) Prestigious goods                                    | (1) Average cost                   |
| (b) $\frac{\text{Total Revenue}}{\text{Total Quantity}}$ | (2) Transfer payment               |
| (c) Labour   | (3) Qualitative credit control     |
| (d) Unemployment allowance                               | (4) Rent                           |
| (e) Direct action  | (5) Quantitative credit control    |
|  | (6) Exception to the law of demand |
|  | (7) Wages                          |
|  | (8) Average revenue                |

(C) State whether the following statements are True or False : (6)

- (1) Demand for luxurious goods is elastic.
- (2) Stock is a source of supply.
- (3) There is no price discrimination in monopoly.
- (4) In the initial stage of human civilisation commodity money was used.
- (5) Loans given by banks for a period of less than five years is known as long-term loan.
- (6) The main objective of the central bank is to earn profit.

Q. 2. (A) Define 'or' explain the following concepts (Any THREE) : (6) [12] (6)

- (1) Partial equilibrium
- (2) Ratio method of measuring price elasticity of demand
- (3) Product differentiation

- (4) Fixed capital
- (5) Lumping method
- (6) Propensity to save

**(B)** Give reasons or explain the following statements (Any THREE) :

(6) (6)

- (1) Clearing house facility by central bank economises the use of cash.
- (2) Micro economics studies individual economic unit.
- (3) Utility and satisfaction are different concepts.
- (4) Law of supply is not applicable to rare articles.
- (5) Income from sale of second hand goods is excluded from national income.
- (6) Central bank acts as a banker to the government.

**Q. 3. (A)** Distinguish between the following (Any THREE) :

(4)(6) [12]

- (1) Desire and Demand
- (2) Increase in supply and Decrease in supply
- (3) Micro economics and Macro economics
- (4) Personal income and Disposable income
- (5) Standard coins and Token coins
- (6) Direct tax and Indirect tax

**(B)** Write short notes (Any TWO) :

(6) (3)

- (1) Importance of micro economics.
- (2) Total outlay method of measuring price elasticity of demand.
- (3) Types of monopoly.
- (4) Functions of an Entrepreneur.

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**Q. 4. Answer the following questions (Any THREE) :**

**[12] (8)**

- (1) Explain the relationship between Total utility and Marginal utility.
- (2) Explain the features of Perfect competition.
- (3) Explain the features of Macro economics.
- (4) Explain the subjective factors determining consumption function.
- (5) What are the different types of deposits?
- (6) Explain the types of government budget.

**Q. 5. State with reasons whether you 'agree' or 'disagree' with the following statements (Any THREE) :**

**[12] (10)**

- (1) Homogeneity of commodities is the only assumption of the law of diminishing marginal utility.
- (2) Demand curve slopes downward from left to right.
- (3) Supply depends on several factors.
- (4) Barter system did not have any difficulties.
- (5) Credit creation of commercial banks is based on primary deposits.
- (6) Central bank is a bank which issues notes.

**Q. 6. Write explanatory answers (Any TWO) :**

**[16] (10)**

- (1) Explain the law of demand with its exceptions.
- (2) What is elasticity of demand? Explain the determinants of elasticity of demand.
- (3) What is National Income? Explain the practical difficulties in measuring National Income.
- (4) What is aggregate supply? Explain the determinants of aggregate supply.

