

IV. Answer the following in a sentence or word.

05×1=05

12. What is Price Ceiling?
13. What is Monopoly?
14. Name the well known work of Adam Smith.
15. Write the meaning of Autonomous Consumption.
16. Who are free riders?

PART-B

V. Answer any 9 of the following in 4 sentences each.

09×2=18

17. What do you mean by inferior goods? Give example.
18. Give the meaning of the concepts of short run and long run.
19. State the law of demand.
20. Give the meaning of price elasticity of supply and write its formula.
21. Define equilibrium price and quantity.
22. Write the meaning of Monopolistic competition and give an example.
23. What is the difference between consumer goods and capital goods?
24. Mention the 2 motives of demand for money.
25. Write the differences between nominal and real GDP.
26. Write the meaning of excess demand and deficient demand.
27. What are the factors which cause change in aggregate demand?
28. Mention the non tax revenues of the central government.
29. What is foreign exchange rate?
30. Mention the 3 linkages of open economy.

PART C

VI. Answer any 7 of the following in 12 sentences each.

07×4=28

31. Distinguish between positive and normative economics.
32. Write the differences between TU and MU.
33. Explain the isoquants with the help of a diagram.
34. Write a brief note on returns to scale.
35. Explain the determinants of a firm's supply curve.
36. Explain the features of Perfect Competition.
37. Explain the role of the govt.(state) and household sector in both developed and developing countries.
38. Write a note on externalities.
39. Briefly explain the functions of RBI.
40. Explain the consumption and investment function with the help of graphs.
41. Write the chart of components of current account.

PART- D

VII. Answer any 4 of the following in 20 sentences each.

04×6=24

42. Explain the LDMU with the help of a table and a diagram.
43. Explain the features of indifference curves with the help of diagrams.
44. Explain how the firms behave in Oligopoly.
45. Write down the limitations of using GDP as an index of welfare of a country.

46. Explain a numerical example to show that all the 3 methods of estimating GDP gives us the same answer.
47. Explain the functions of money. How does money overcome the shortcomings of barter system?
48. Write a note on balance of payments.

PART- E

VIII. Answer any 2 of the following practical oriented questions.

05x2=10

49. A consumer wants to consume 2 goods . The price of banana is Rs. 5 and the price of mango is Rs. 10. The consumer's income is Rs. 40.
 - a) How many bananas can she consume if she spends her entire income on that good?
 - b) How many mangoes can she consume if she spends her entire income on that good?
 - c) Is the slope of budget line downward or upward?
 - d) If you want to have more bananas you have to give up mangoes. Is it true?
 - e) Are the bundles on the budget line equal to the consumer's income or not?
50. Write a note on Demonetisation.
51. Name the currencies of any 5 countries of the following.
USA, UK, UAE, Germany, Japan,China, Argentina, Bangladesh, Russia.
