

**BOARD QUESTION PAPER : MARCH 2019****Time: 3 Hours****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 a new page.

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

- (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)

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

	Group "A"		Group "B"
1.	Prestigious goods	a.	Average cost
2.	$\frac{\text{Total Revenue}}{\text{Total Quantity}}$	b.	Transfer payment
3.	Labour	c.	Qualitative credit control
4.	Unemployment allowance	d.	Rent
5.	Direct action	e.	Quantitative credit control
		f.	Exception to the law of demand
		g.	Wages
		h.	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 civilization 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]**

- (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)
- (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):** (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)
- (1) Importance of micro economics.
  - (2) Total outlay method of measuring price elasticity of demand.
  - (3) Types of monopoly.
  - (4) Functions of an Entrepreneur.
- Q.4. Answer the following questions (Any THREE):** [12]
- (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]
- (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]
- (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.