

DAY — **14**

SEAT NUMBER

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2024	III	09	1500	<b>J-904</b>	(E)
<b>ECONOMICS (49)</b>					
Time : 3 Hrs.		(7 Pages)		Max. Marks : 80	

- Notes :** (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) Choose the correct option :** (5) [20]

- (i) Method adopted in micro economic analysis  
(a) Lumping method  
(b) Aggregative method  
(c) Slicing method  
(d) Inclusive method

Options : (1) a, c, d (2) b, c, d  
(3) Only c (4) Only a

- (ii) Factors which are working in unorganised money market.  
(a) Money lenders  
(b) Commercial bank  
(c) Hundi  
(d) Chit funds

Options : (1) a, b, c (2) b, c  
(3) b, d (4) a, c, d

- (iii) Optional functions of Government.
- (a) Protection from external attack
  - (b) Provision of education and health services
  - (c) Provision of social security measures
  - (d) Collection of tax
- Options : (1) b, c                      (2) a, b, c  
                   (3) b, c, d                    (4) All of the above
- (iv) Statements that highlight the significance of index numbers.
- (a) Index numbers are useful for making future predictions.
  - (b) Index numbers help in the measurement of inflation.
  - (c) Index numbers help to frame suitable policies.
  - (d) Index numbers can be misused.
- Options : (1) b, c, d                    (2) a, b, c  
                   (3) a, b, d                    (4) a, c, d
- (v) Blood bank is an example of \_\_\_\_.
- (a) Place utility
  - (b) Knowledge utility
  - (c) Service utility
  - (d) Time utility
- Options : (1) a, b, c                    (2) b, c, d  
                   (3) a, b, d                    (4) Only d

**(B)** Find the odd word out : (5)

- (i) Types of demand :
- Direct demand, Indirect demand, Composite demand, Market demand.
- (ii) Features of National Income :
- Financial year, Money value, Static concept, Flow concept.
- (iii) Types of budget :
- Deficit budget, Zero budget, Balanced budget, Surplus budget.

- (iv) Legal monopoly :  
Patent, OPEC, Copyright, Trade mark.
- (v) Financial Assets :  
Bonds, Land, Govt. Securities, Derivatives.

**(C)** Give economic term : (5)

- (i) More quantity is demanded due to changes in the favourable factors determining demand other than price.
- (ii) Deposits that are withdrawable on demand.
- (iii) Charging different prices to different consumers for the same product or services.
- (iv) Net addition made to total cost by producing one more unit of output.
- (v) Degree of responsiveness of quantity demanded to change in income only.

**(D)** Complete the correlation : (5)

- (i) General equilibrium : Macro Economics : :  :  
Micro Economics
- (ii) Output method :  : : Income method : Factor  
cost method
- (iii) Form utility : Furniture : :  : Doctor
- (iv) Perfectly elastic demand :  $E_d = \infty$  : :  :  $E_d = 0$
- (v)  : Change in supply : : Other factors constant  
: Variation of supply

**Q. 2. (A)** Identify and explain the following concepts (Any THREE) : (6) [12]

- (i) Manisha satisfied her want of writing an essay by using pen and notebook.
- (ii) Raghu's father invested his money in a market for long term funds both equity and debt raised within and outside the country.

- (iii) Due to mandatory use of masks during corona epidemic the demand for mask producing labour has increased.
- (iv) Maharashtra purchased wheat from Punjab.
- (v) Jagruti receives monthly pension of ₹ 5,000 from the state government.

**(B) Distinguish between (Any THREE) :** (6)

- (i) Recurring deposits and Fixed deposits
- (ii) Total utility and Marginal utility.
- (iii) Perfectly elastic demand and Perfectly inelastic demand
- (iv) Price Index and Quantity Index
- (v) Internal debt and External debt

**Q. 3. Answer the following (Any THREE) :** [12]

- (i) Explain any four types of demand.
- (ii) Explain any four problems of capital market in India.
- (iii) Explain any four features of utility.
- (iv) Explain any four reasons for the growth of public expenditure.
- (v) Explain any four features of macro economics.

**Q. 4. State with reasons whether you agree or disagree with the following statements (Any THREE) :** [12]

- (i) Over the last 75 years, India's foreign trade has undergone a complete change in terms of composition and direction.
- (ii) Macro economics is different from micro economics.
- (iii) Price maker is the only feature of monopoly market.
- (iv) There are many sources of non-tax revenue.
- (v) There are many types of index numbers.

**Q. 5. Study the following table, figure, passage and answer the questions given below it (Any TWO) :**

[8]

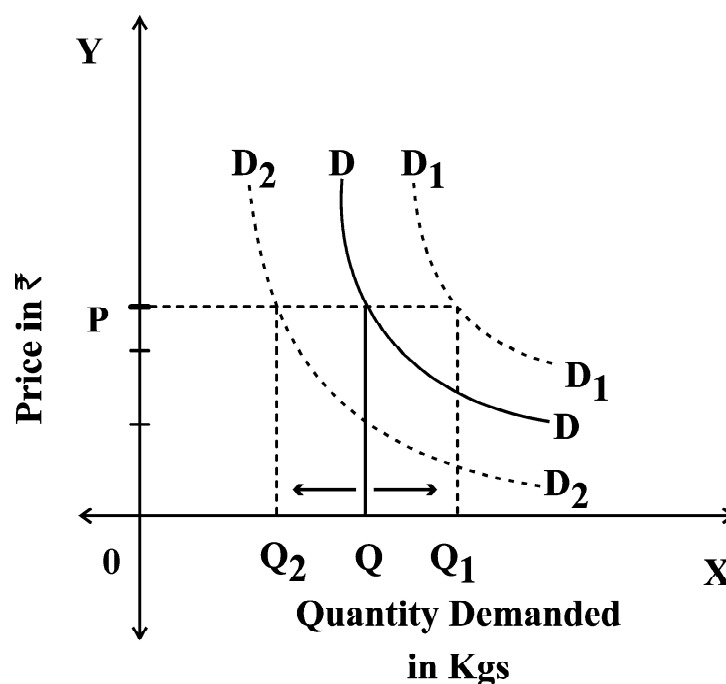
- (i) Observe the following table and answer the questions given below it :

(4)

Commodities	Prices in 2006 (in ₹) (Base Year) $P_0$	Prices in 2019 (in ₹) (Current Year) $P_1$
A	20	30
B	30	45
C	40	60
D	50	75
E	60	90

Questions :

- (1) Write the formula for calculation of price index. (1)
  - (2) Find the value of  $\Sigma P_0$  and  $\Sigma P_1$ . (1)
  - (3) Find the price index  $P_{01}$ . (2)
- (ii) Observe the given diagram and answer the following questions: (4)



- (1) Rightward shift in demand curve ..... (1)
  - (2) Leftward shift in demand curve ..... (1)
  - (3) Price remains ..... (1)
  - (4) Increase and decrease in demand comes under..... (1)
- (iii) Read the given passage and answer the questions : (4)

In common language the term market means a specific place where buyers and sellers of a commodity meet and exchange their goods. But in Economics it is not necessarily a place but it is an arrangement through which buyers and sellers come in contact with each other directly or indirectly and exchange of goods takes place among them.

Market can be classified on the basis of place, time and competition. Market on the basis of competition is perfect competition and imperfect competition. Perfect competition is an imaginary concept of market and in reality, we observe various types of imperfect competition like monopoly, duopoly, oligopoly and monopolistic competition.

In practice monopolistic competition is used. In this market there are some features of perfect competition and monopoly acting together. The uniqueness of this market lies in the fact that a difference is made between cost of production and selling cost. Selling cost refers to the cost incurred by the firm to create more demand for its product and increase the volume of sale. It includes expenditure on advertisement, hoardings, window display etc.

Questions :

- (1) Explain the concept of Market from Economic sense. (1)
- (2) Write the classification of Market. (1)
- (3) Write your own opinion about selling cost. (2)

**Q. 6. Answer the following questions in detail (Any TWO ) :**

**[16]**

- (i) Explain the concept of price elasticity with its types.
- (ii) Explain the concept of National income and explain the practical difficulties involved in the measurement of National income.
- (iii) State and explain the law of supply with assumptions.

