BOARD QUESTION PAPER : MARCH 2016

Time: 3 Hours **Max. Marks: 80**

Note:
(1) All questions are compulsory.
(2) Draw tables / diagrams, wherever necessary.
(3) Figures to the right indicate full marks.
(4) Write answers of every new question on a new page.

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

(1) The terms Micro and Macro Economics were first used by _____.
(Adam Smith / Robbins / Ragner Frisch / Marshall)

(2) Demand for necessaries is ______.
(elastic / inelastic / infinitely elastic / unitary elastic)

(3) _______ consumption cannot be zero.
(Induced / Autonomous / Government / Private)

(4) Accepting deposits from the public is the _______ function of Commercial Bank.
(secondary / general / primary / incidental)

(5) In India, budget is presented in the Parliament by the _______.
(Prime Minister / Finance Minister / Chief Minister / Defence Minister)

(B) Match the correct pairs: **(5)**

	Group "A"		Group "B"
1.	Demand for electricity	a.	Rent
2.	Perfectly elastic supply	b.	Transfer income
3.	Land	c.	Dear money policy
4.	Pension	d.	Composite demand
5.	Inflation	e.	Horizontal supply curve
		f.	Part of national income
		g.	Vertical supply curve
		h.	Cheap money policy

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

(1) Income elasticity of demand for inferior goods is negative.
(2) If price falls, the supply curve will shift to the left.
(3) Product differentiation is the most distinguishing feature of monopolistic competition.
(4) In the case of token coins, intrinsic value is less than their face value.
(5) Overdraft facility is provided to saving account holders.
(6) Clearing house system economizes the use of cash.

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

(1) Micro Economics
(2) Relatively elastic supply
(3) Price discrimination
(4) National income
(5) General equilibrium
(6) Reverse Repo Rate

(B) Give reasons or explain the following (Any THREE): **(6)**

(1) Micro Economics studies behaviours of individual economic unit.
(2) Utility has no ethical consideration.
(3) Demand for the commodity having multiple uses has elastic demand.
(4) An entrepreneur is called a leader of the organization.
(5) With the increase in income, both consumption and savings increase.
(6) Central Bank is a banker to the government.

Q.3. (A) Distinguish between (Any THREE): **(6)[12]**

(1) Expansion of demand and Increase in demand.
(2) Total Cost and Total Revenue.
(3) Micro Economics and Macro Economics.
(4) Gross National Product and Net National Product.
(5) Convertible paper money and Inconvertible paper money.
(6) Surplus budget and Deficit budget.

(B) Write short notes (Any TWO): **(6)**

(1) Features of Micro Economics.
(2) Total expenditure method of measuring Elasticity of Demand.
(3) Features of Monopolistic Competition.
(4) Features of Land.

Q.4. Write short answers for the following questions (Any THREE): **[12]**

(1) Explain the relationship between Total utility and Marginal utility.
(2) What are the features of perfect competition?
(3) Explain the subject matter of Micro Economics.
(4) State the determinants of aggregate demand.
(5) Explain the primary functions of commercial banks.
(6) What are the main components of budget?

Q.5. Explain with reasons whether you 'agree' or 'disagree' with the following statements (Any THREE): **[12]**

(1) The law of diminishing marginal utility can be explained with the help of schedule and diagram.
(2) There are no exceptions to the Law of Demand.
(3) Price is the only determinant of supply.
(4) Money performs various functions.
(5) Commercial banks cannot create credit money.
(6) Bank rate is a quantitative measure of credit control.

Q.6. Write explanatory answers (Any TWO): **[16]**

(1) State and explain the law of demand with its assumptions.
(2) What are the types of Elasticity of Demand?
(3) Explain the various methods of measuring national income.
(4) What is aggregate supply? Explain the determinants of aggregate supply.