

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 page.

Q.1 (A) Complete the correlation :

(5)

- i) _____ : Macro Economics :: Mikros : Micro Economics
- ii) Air, Water, Sunshine : _____ :: Diamond : Value-in-Exchange
- iii) Perfectly elastic demand : $E_d = \infty$:: _____ : $E_d = 0$
- iv) Total Cost : $TFC + TVC$:: _____ : TC/TQ
- v) Price taker : Perfect competition :: Price maker : _____

Q.1 (B) Complete the following statements by choosing the correct alternatives :

- i) Micro Economics is also called as _____
 - (a) Income theory
 - (b) Price theory
 - (c) Employment theory
 - (d) Growth theory
- ii) Statement indicating Intra marginal units occurs when MU is _____
 - (a) Greater than one
 - (b) Equal to price
 - (c) Less than price
 - (d) Price is greater than one
- iii) The relationship between demand for a good and price of its substitute is _____
 - (a) Direct
 - (b) No effect
 - (c) Inverse
 - (d) can be direct and inverse
- iv) The most significant factor affecting supply of agricultural goods is _____
 - (a) Government policies
 - (b) Cost of production
 - (c) Climate condition
 - (d) Transport facilities
- v) The cost incurred by the firm to promote sales is called as _____
 - (a) Total cost
 - (b) Average cost
 - (c) Marginal cost
 - (d) Selling cost

Q.2 (A) Identify and explain the concepts from given illustrations: (Any 2 out of 3)

(4)

- i) Rahul help his mother to use various functions of cell phone.
- ii) Due to Government's computerization policy, the demand for computers rise despite price of computers remained constant.
- iii) Railways charges lesser price to senior citizens as compare to the others for the same services.

Q.2 (B) Distinguish Between: (Any 2 out of 3)

(4)

- i) Partial equilibrium and General equilibrium
- ii) Desire and Demand
- iii) Stock and Supply

Q.3 Answer the following questions: (Any 2 out of 3)

(8)

- i) Explain price and income elasticity of demand.
- ii) Describe any four factor affecting demand.
- iii) Define and explain any four features of Oligopoly market.

Q.4 State with reasons whether you agree or disagree with the following statements :

(Any 2 out of 3)

(8)

- i) There are many exception to the Law of Diminishing Utility.
- ii) Durability is the only factor influence elasticity of demand.
- iii) The supply curve of labour is backward bending.

Q.5(A) Study the following table/figure/passage and answer the following questions given below it : (Any 2 out of 3) (8)

a) Observe the following table and answer the questions given below it : (4)

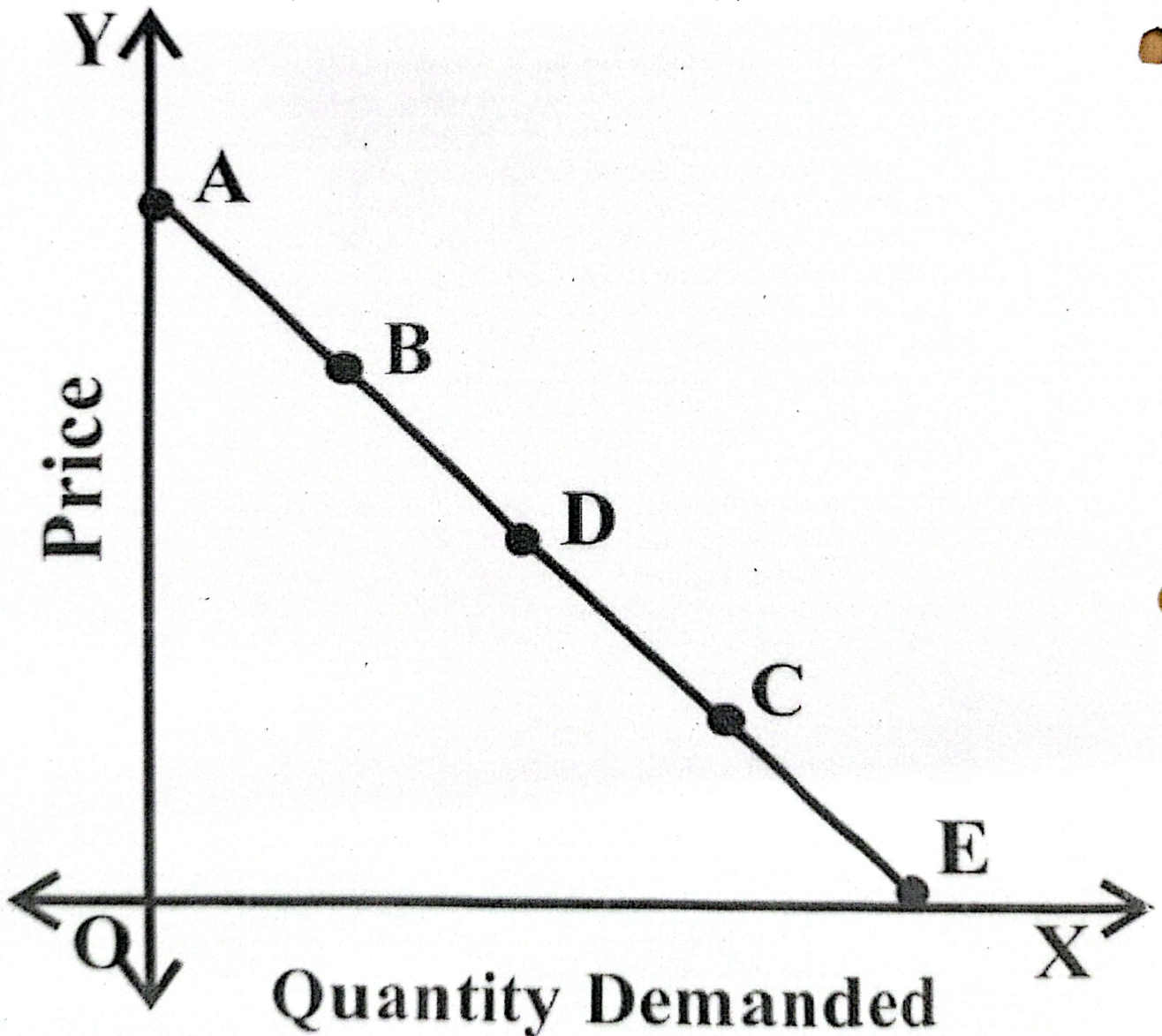
Units of commodity	Total utility	Marginal utility
1	8	8
2	14	6
3	18	4
4	20	2
5	20	0
6	18	-2

i) Draw a TU and MU curve from the above given schedule. (2)

ii) (a) Point of satiety is a situation where TU is maximum and MU is _____ (1)

(b) When total utility falls, marginal utility become _____ (1)

Q.5. (B) On the basis of the given diagram answer the following questions : (4)



- 1) Identify the types of elasticity of demand at point 'B' and at point 'C'. (2)
- 2) (a) In the above diagram slope of demand curve is _____ (linear/non-linear) (1)
- (b) Which method of measuring elasticity of demand is represented in the above diagram ? (1)

Q.5(C) Read the following passage and answer the following questions :

A market is any place where two or more parties can meet to engage in an economic transaction. A market transaction may include goods, services, information, currency, or any combination that passes from one party to another.

"Economists understand by the term market, not any particular market place in which things are bought and sold, but the whole of any region in which buyers and sellers are in such free intercourse with one another that the prices of the same goods tend to equality easily and quickly".

Market can be classify on the basis of place wise such as Local, National and International Market, Time wise - Very short period market, Short period, Long period, Very long period, and Competition wise - Perfect and Imperfect competition. The four popular types of market structures include perfect competition, oligopoly market, monopoly market, and monopolistic competition.

1. Name any two market mentioned in the above passage. (1)
2. Mention any two market transaction explained in the above passage. (1)
3. Make a flow chart on classification of market based on above passage. (2)

Q.6 Answer in detail : (Any 1 out of 2) (8)

- i) Define and explain the scope of Micro Economics.
- ii) State and explain the law of demand with assumption.