M – 2019

Subject Code : 22 (NS)

0040114

ECONOMICS

(Kannada and English Versions)

Time : 3 Hours 15 Minutes] [Total No. of questions : 51] [Max. Marks : 100

(English Version)

Instructions : *1. Write the question numbers **legibly** in the margin.*

*2. Answer for **a** question should be continuous.*

PART – A

I. Choose the correct answer : **(5 × 1 = 5)**

1) The scarce resources of an economy have

a) Competing usages b) Single usages

c) Unlimited usages d) None of the above

2) When the supply curve is vertical the elasticity of supply is

a) $es = 1$ b) $es > 1$

c) $es = 0$ d) $es = \infty$

3) The change in TR due to the sale of an additional units is called

a) Total Revenue b) Average Revenue

c) Marginal Revenue d) Revenue

4) The year of great depression

a) 1920 b) 1889

c) 1929 d) 2018

5) Easy availability of credit encourages

a) Savings b) Investment

c) Rate of Interest d) None of the above

II. Fill in the blanks of the following : (5 × 1 = 5)

6) Scarcity of resources gives raise to ________.

7) ________ is determined at the point where the demand for labour and supply of labour curves intersect.

8) Competitive behaviour and Competitive market structure are in general ________ related.

9) ________ goods will not pass through any more stages of production.

10) Financial year runs from ________ to ________ in India.

III. Match the following : (5 × 1 = 5)

11)

	A		B
i)	TFC + TVC =	a)	None monetary exchange
ii)	π	b)	Government of India
iii)	Domestic services	c)	TR – TC
iv)	Circulation of coin	d)	Y – C
v)	Savings	e)	TC

IV. Answer the following questions in a sentence / word each : (5 × 1 = 5)

12) Expand MRS.

13) What is Monopoly?

14) Name the well known work of Adam Smith.

15) Who are "Free-Riders"?

16) What do you mean by open economy?

PART – B

V. Answer **any nine** of the following questions in **4** sentences **each** : **(9 × 2 = 18)**

17) What is Monotonic preference?

18) Mention two different approaches which explain consumer behaviour.

19) Give the meaning of price elasticity of supply and write its formula.

20) Give the meaning of shut-down point.

21) Mention the conditions needed for profit by a firm under perfect competition.

22) Write the meaning of monopolistic competition and give an example.

23) What are the four factors of production? And mention their rewards.

24) Mention three methods of measuring GDP (National Income).

25) Mention any two functions of money.

26) Write the meaning of excess demand and deficient demand.

27) Give the meaning of investment multiplier. Write its formula.

28) Write the differences between public provision and public production.

29) Mention the three linkages of open economy.

30) Why do people demand foreign exchange?

PART – C

VI. Answer **any seven** of the following questions in **12** sentences **each** : **(7 × 4 = 28)**

31) Briefly explain the central problems of an economy.

32) Explain the indifference map with a diagram.

33) The following table gives the TP schedule of labour. Find the corresponding average product and marginal product schedules.

TP_L	0	15	35	50	40	48
L	0	1	2	3	4	5

34) Write a table to show the impact of simultaneous shifts on equilibrium.

35) Explain the features of Perfect Competition Market.

36) Briefly explain in what way macro economics is different from micro economics.

37) Explain the circular flow of income of an economy.

38) Write a note on Externalities.

39) Briefly explain the functions of RBI.

40) Briefly explain consumption function.

41) Explain the merits and demerits of flexible and fixed exchange rate system.

PART – D

VII. Answer **any four** of the following questions in **20** sentences **each** :

(4 × 6 = 24)

42) Explain the law of diminishing Marginal Utility with the help of a table and diagram.

43) A Firms SMC schedule is shown in the following table. TFC is Rs.100, find TVC, TC, AVC and SAC schedules of the firm.

Q	0	1	2	3	4	5	6
SMC	–	500	300	200	300	500	800

44) Explain the Market equilibrium with the fixed number of firms with the help of a diagram.

45) Explain how the firms behave in Oligopoly.

46) Explain the Macro economic identities.

47) Explain the classification of receipts.

48) Write a note on balance of payment.

PART – E

VIII. Answer **any two** of the following Project and Assignment related questions :

(2 × 5 = 10)

49) A consumer wants to consume two goods, the price of Bananas is Rs.4, and the price of Mangoes is Rs.5. The consumer income is Rs.20.

a) How much Bananas can she consumes if she spend her entire income on that good?

b) How much Mangoes can she consumes if she spend her entire income on that good?

c) Is the slope of budget line downward or upward?

d) Are the bundles on the budget line equal to the consumer's income or not?

e) If you want to have more of Bananas you have to give up Mangoes. Is it true?

50) Write a note on Demonetisation.

51) Name the currencies of any five countries of the following:

USA, UK, Germany, Japan, China, Argentina, UAE, Bangladesh, Russia.