

**Karnataka Sangha's  
MANJUNATHA COLLEGE OF COMMERCE &  
JUNIOR COLLEGE OF COMMERCE, THAKURLI-(E)-421 201  
1<sup>st</sup> Prelim Exam-2018-19  
SUB.: Economics**

**Class: S.Y.J.C**

**Time : 2.30pm to 5.30pm**

**Date: 21/12/2018**

**Marks : 80**

Q.1 A) Fill in the blanks with appropriate alternative given in the bracket: 5

1. The term Micro and Macro economics were first used by\_\_\_\_\_.  
( Adam Smith, Robbins, Marshall, Ragnar Frisch)
2. Marginal Consumption function is always \_\_\_\_\_.  
( Zero, One , More than one, Less than one )
3. The RBI was established in\_\_\_\_\_.  
( 1937, 1939, 1935,1934)
4. Firms in monopoly market are\_\_\_\_\_.  
( Price maker, Price taker, Price advisor, Price holder)
5. National Income is a \_\_\_\_\_ Concept.  
( Stock, Final, Intermediate, Flow)

B) Match the following: 5

Group A		Group B	
1	Fixed Capital	a	Increase in supply
2.	Shares and Debentures	b	Wants satisfying power
3.	Transport facility	c	Factory building
4.	Utility	d	Budget
5.	Consumption	e	Financial Capital
		f	Use of Commodities
		g	Use of Umbrella
		h	Additional total Utility

C) State whether the following statements are True OR False: 6

1. Demand for electricity means Composite demand.
2. Savings increases with increase in Income.
3. Services of housewives are included in National Income.
4. All Capital is wealth but all wealth is not capital.
5. Central Bank created credit money.
6. The Budget is a monthly statement.

Q.2 A) Define or Explain the following Concept: (Any 3) 6

- |                               |                      |
|-------------------------------|----------------------|
| 1. Micro Economics            | 4. National income   |
| 2. Cross elasticity of demand | 5. Money             |
| 3. Token Coins                | 6. Reserve Repo rate |

B) Give reason OR Explain: ( Any Three) 6

1. Utility has no ethical consideration.
2. Demand for habitual goods is normally inelastic.
3. An entrepreneur is called a leader of the organisation.
4. Labour Cannot be stored.
5. Supply is directly related to price.
6. A deficit budget may prove useful during the period of depression.

- Q.3 A) Distinguish between: ( Any three) **6**
1. Increase in demand and Decrease in demand.
  2. Land and Capital
  3. Paper money and Metallic money
  4. Central Bank and Commercial Bank
  5. Direct Tax and Indirect Tax.
  6. Surplus budget and Deficit Budget.
- B) Write Short Notes: ( Any two) **6**
1. Subject matter of Micro Economics
  2. Features of Labour
  3. Types of loans of Commercial Banks
  4. Difficulties of Barter system.
- Q.4 Answer the following questions: ( Any 3 ) **12**
1. Explain the types of Utility
  2. Explain the law of Demand.
  3. What are the features if monopolistic Competition?
  4. What are the characteristics of Land?
  5. Explain circular flow of National Income.
  6. What are the different types of Money?
- Q.5 State with reasons whether you agree or disagree with the following statement: (Any 3) **12**
1. There are no exceptions to the law of demand.
  2. Various factors influence elasticity of demand.
  3. Price is the only determinant of supply.
  4. Central Bank is called as Banker's Bank.
  5. Gross national product and Gross domestic product are same concepts.
  6. Commercial Banks provides many general utility services.
- Q.6 Answer the following questions in detail: (Any 2) **16**
1. State and Explain Keynesian "Psychological law of Consumption".
  2. Explain the functions of Central Bank.
  3. What is price elasticity of Demand? What are the types of price elasticity of demand?
  4. What is National Income? Explain theoretical or Conceptual difficulties of measuring National Income.

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