



SHAH'S ADVANTAGE PRELIM SERIES

A DIVISION OF "SHAH EDUCATIONAL ACADEMY"
B.COM, BAF, BMS, BBI, BFM, MCOM, CS, CPT, IPCC, Final CA.

H.O: Shop 5; 6 & 7, Hill Crest Society, 16th Road, Bandra (W), Mum: 50. Ph: 26051635

Branch : Avon Arcade, Shop No. A/ 121, 1st Floor. Vile Parle (W), Mum: 56. Ph: 26189748 / 9820418533

S.Y.J.C

ECONOMICS

30th Jan 2020

Time: 3 hrs.

Prelim No: 3

(2019 - 20)

Thursday

Marks: 80

Note:- (1) All question are compulsory; (2) Give tables / diagrams wherever necessary; (3) Figures to the right indicate full marks; (4) Answer to every question must be started on a new page.

Q. 1 A] Fill in the blanks with appropriate alternatives given in the bracket: (5)

- (1) The term budget is derived from the _____ language.
(a) Greek (b) Latin (c) French
- (2) Vertical demand curve shows _____.
(a) $E_d < 1$ (b) $E_d = 1$ (c) $E_d > 1$ (d) $E_d = 0$
- (3) Government investment is _____.
(a) interest elastic (b) income elastic (c) Interest inelastic (d) 0
- (4) When price charges but outlay not changes then it is called _____.
(a) $E_d = 0$ (b) $E_d = 1$ (c) $E_d < 1$ (d) $E_d = \infty$
- (5) The book General theory of employment interest and money is written by _____.
(a) Keynes (b) Ragner frisch (c) Marshall (d) Adam smith

B] Match the following (5)

Group "A"	Group "B"
1. Labour	a. Central bank of India
2. Transfer Income	b. Established in 1949
3. RBI	c. Cannot be stored
4. Total Cost	d. Fixed Capital
5. Machinery	e. Not included in national income
	f. $TVC + TFC$
	g. Salary of employee
	h. Price \times quantity demanded

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

1. During deflation central bank purchases securities from open market.
2. Demand for liquor for drunkard is relatively elastic demand
3. Supply of agricultural product is relatively in elastic.
4. Money is what money does.
5. Price discrimination is not possible under perfect competition
6. Commercial bank is non-profit making institution.

Q.2 (A) Define or Explain the concept (Any Three) (6)

1. Repo-rate
2. Macro economics
3. Marginal Revenue
4. GNP at Market price
5. Pure competition
6. Labour

P.T.O.

B] Give reasons or Explain the following statement (Any Three) (6)

1. Value added method avoids double counting.
2. Micro economics is also called price theory.
3. Net export determine aggregate demand
4. During inflation bank-rate is raised.
5. Demand and desire are different concept.
6. Concept of Utility is useful for producer or monopolist.

Q.3(A) Distinguish Between . (Any Three) (6)

1. Supply and Stock
2. Revenue receipt and Capital receipt
3. Convertible and non- convertible paper money
4. Output method and Income method
5. Price theory and Income theory
6. Increase in demand and Contraction in demand

(B) Write short Notes (Any Two) (6)

1. Geometric Method of Measuring elasticity of demand
2. Types of capital
3. Features of perfect competition
4. Historical review of Micro economics

Q.4. Write Short answers for the following question:- (Any Three) (12)

1. Describe relationship between total Utility and Marginal Utility.
2. Explain Contingent Functions of Money.
3. Explain Utility services of provided by commercial bank
4. Explain consumption function
5. Explain Importance of Micro economics
6. Explain determinants of Aggregate demand.

Q.5. Explain with reason whether you agree or disagree with the following statements: (Any Three) (12)

1. Law of diminishing marginal utility has no any exceptions.
2. Central bank acts as a banker to the government
3. Accepting deposit is only Primary function of commercial bank
4. Price is sole determinant of Market demand
5. Law of supply depends on many assumptions
6. Good money has many qualities

Q.6. Answer in detail: (Any Two) (16)

1. Explain variation in demand and change in demand
2. Explain determinants of price elasticity of demand
3. Describe theoretical difficulties in estimation of National income
4. What is aggregate supply? Explain determinants of Aggregate supply.

*******ALL THE BEST*******



SHAH'S ADVANTAGE PRELIM SERIES

A DIVISION OF "SHAH EDUCATIONAL ACADEMY"

B.COM, BAF, BMS, BBI, BFM, MCOM, CS, CPT, IPCC, Final CA.

H.O: Shop 5; 6 & 7, Hill Crest Society, 16th Road, Bandra (W), Mum: 50. Ph: 26051635

Branch : Avon Arcade, Shop No. A/ 121, 1st Floor. Vile Parle (W), Mum: 56. Ph: 26189748 / 9820418533

S.Y.J.C

ECONOMICS

30th Jan

Time: 3 hrs.

Prelim No: 3

(2019 - 20) (Solution)

2020

Marks: 80

Thursday

Note:- (1) All question are compulsory; (2) Give tables / diagrams wherever necessary; (3) Figures to the right indicate full marks; (4) Answer to every question must be started on a new page.

Q. 1 A] Fill in the blanks with appropriate alternatives given in the bracket:

(5)

(1) The term budget is derived from the Greek language.

(2) Vertical demand curve shows $Ed = 0$.

(3) Government investment is Interest inelastic

(4) When price charges but outlay not changes then it is called $Ed = 1$

(5) The book General theory of employment interest and money is written by Keynes

B] Match the following

(5)

Group "A"	Group "B"
1. Labour	(c) Cannot be stored
2. Transfer Income	(e) Not included in national income
3. RBI	(a) Central bank of India
4. Total Cost	(f) $TVC + TFC$
5. Machinery	(d) Fixed Capital

C] State whether the following statements are True or False

(6)

1. During deflation central bank purchases securities from open market.

Ans:- True

2. Demand for liquor for drunkard is relatively elastic demand

Ans:- False

3. Supply of agricultural product is relatively in elastic.

Ans:- True

4. Money is what money does.

Ans:- True

5. Price discrimination is not possible under perfect competition

Ans:- True

6. Commercial bank is non-profit making institution.

Ans:- False

Q.5. Explain with reason whether you agree or disagree with the following statements:

(Any Three)

(12)

1. Law of diminishing marginal utility has no any exceptions.

Ans:- I disagree with given statement.

2. Central bank acts as a banker to the government

Ans:- I agree with given Statement.

3. Accepting deposit is only Primary function of commercial bank

Ans:- I disagree with given statement.

4. Price is sole determinant of Market demand

Ans:- I disagree with given statement.

5. Law of supply depends on many assumptions

Ans:- I agree with given Statement.

6. Good money has many qualities

Ans:- I agree with given Statement.
