UNIT-I Introduction

- What are the central problem of an Economy? [3]
- Why docs Economic Problem arise? [1]

UNIT-II Consumer Equilibrium Demand

- State law of diminishing marginal utility? [4]
- Explain consumer’s equilibrium in case of single commodity (utility approach) [6]
- State the law of demand. [3]
- Distinguish between change in quantity demanded and change in demand. [4]
- Explain factors effecting demand of the commodity [4]
- Explain factors affecting elasticity of demand [4]

UNIT-III Producer’s behavior’s supply

- Explain the law of variable proportion [6]
- Define cost, state the relationship between Average Cost and Marginal Cost, (Diagram) [4]
- Numerical question based on TC,TFC,TVC,AFC, AVC, MC and Revenue (TR,AR & MR) [4]
- Explain factors affecting supply of the commodity. [4]
- Explain producer’s equilibrium with MR and MC approach using schedule and diagram. [6]

UNIT-IV Form of Market and Price determination

- Distinguish between Monopoly and Monopolistic competition. [4]
- How is Price determined under perfect competition. [4]

UNIT-VI National Income Related Aggregates

- Distinguish between Macro and Micro economics with variable. [3]
- Explain diagrammatically circular flow of Income. (two sector economy) [3]
- Distinguish between
  (a) Intermediate good and final goods.
(b) Domestic Income and National Income.
(c) Real GDP and Nominal GDP.

- State the limitation of using GDP as an index of welfare of a country. [4]
- Numerical questions

UNIT-VII Money and Banking

- Define Money and explain the functions of Money. [4]
- Explain the money creation by the commercial Bank. [6]
- Explain the Banker’s Bank function of RBI. [3]

UNIT-VIII Determination of Income Employment

- Define aggregate demand and its components. [3]
- What do you understand by inflationary gap and suggest measures to control it. [6]
- Explain
  (a) Full Employment
  (b) Involuntary unemployment
  (c) Investment Multiplier

UNIT-IX Government Budget and the Economy

- Define government budget and state its objectives. [3]
- Define and give its implication. [4]
  (a) Fiscal deficit
  (b) Revenue deficit
  (c) Primary deficit
- Distinguish between Direct and Indirect tax.

UNIT-X Balance of Payment

- How in Foreign Exchange rate determined [4]
- State the sources of demand for and supply of foreign exchange. [4]