

## Unit 1:

Short Answers:

(2 Marks Each)

1. Define economics and state its two main branches..
2. What is scarcity? Give one example.
3. Define meaning of inductive emethod.
4. What is the difference between static and dynamic economics?
5. Define microeconomics.
6. What do you mean by concepts of national income?

Descriptive Answers:

(5 to 20Marks)

1. Write a detailed note on the nature and scope of economics?
2. What do you mean by National Income? What are the methods of computing National Income?
3. Explain deductive and inductive methods of economic analysis.
4. Define circular flow of economic activity.Explain indetail.
5. Differentiate between NI, GNP and GDP.
6. Explain in detail the circular flow of economic activity in a two-sector and three-sector economy.
7. Explain scarcity and choice.

## Unit 2:

Short Answers:

(2 Marks Each)

1. Define elasticity of demand.
2. Define demand function.
3. What is income elasticity of demand?
4. What is cross elasticity?
5. Write any two determinants of supply.

Descriptive Answers:

(5 to 20 Marks)

1. Discuss types of demand with suitable examples.
2. Define elasticity and describe different types of demand elasticity.
3. What is demand forecasting? Discuss its methods, advantages, and limitations.
4. Describe the purpose and determinants of demand forecasting.
5. Explain determinants of demand.
6. Define elasticity of supply with its types.

## Unit 3:

Short Answers:

(2 Marks Each)

1. What is an Isoquant?
2. Define implicit cost with an example.
3. What do you mean by Production?
4. Define Production function.
5. Define Explicit and Implicit cost.
6. Define cost estimation.
7. What is sunk cost?

Descriptive Answers:

(5 to 20Marks)

1. What is mean by production optimization?
2. What are the cost concepts? Explain any four.
3. Discuss the laws of returns to scale. Explain with diagrams.
4. Distinguish between variable cost and fixed cost.
5. How do total product, average product and marginal product change due to a change in the use of one input, keeping other inputs constant?
6. Describe cost function and cost curves.

## Unit 4:

Short Answers:

(2 Marks Each)

1. Define concept of Market.
2. Define Cartel.
3. Define Perfect competition market.
4. Define Monopoly market.
5. Define Imperfect competition market.
6. Define Monopolistic competition market.

Descriptive Answers:

(5 to 20 Marks)

1. Explain characteristics and pricing theory under perfect competition market.
2. Explain characteristics and pricing theory under monopolistic market.
3. Explain characteristics and pricing theory under monopoly market.
4. Explain characteristics and pricing theory under oligopoly market.
5. Define market and classify market structure.
6. What is meant by duopoly & write its characteristics.

## Unit 5:

ShortAnswers:

(2 Marks Each)

1. What is Balance sheet?
2. Explain Profit and Loss Account.
3. What do you mean by Financial ratio?
4. Explain Cash flow analysis.
5. What is Fund flow analysis?
6. Write a note on Ratio analysis.

Descriptive Answers:

(5 to 20Marks)

- Prepare Trading, P&L and Balance Sheet:

Opening Stock = ₹30,000 Purchases = ₹2,20,000 Sales = ₹3,80,000 Wages = ₹40,000  
Closing Stock = ₹50,000 Cash = ₹15,000 Debtors = ₹30,000 Creditors = ₹25,000  
Furniture = ₹60,000 Capital = ₹1,20,000 Rent = ₹15,000

- Prepare a Balance Sheet and Profit & Loss Account of a hypothetical firm using the following information and interpret results:

Capital: ₹2,00,000 Sales: ₹4,80,000 Purchases: ₹3,00,000 Closing Stock: ₹50,000 Outstanding Expenses: ₹10,000 Cash in Hand: ₹15,000 Debtors: ₹40,000 Creditors: ₹35,000

- Prepare P&L and Balance Sheet from the following:

Sales = ₹6,00,000 Purchases = ₹3,50,000 Opening stock = ₹40,000 Closing stock = ₹60,000  
Wages = ₹50,000 Rent Outstanding = ₹10,000 Cash = ₹20,000 Debtors = ₹45,000  
Creditors = ₹30,000 Capital = ₹2,00,000