

Note: All questions are compulsory.

Q1. Case Study:

(15 mark)

On August 15, 2014, Prime Minister Narendra Modi, in his maiden Independence Day speech, appealed to companies around the world to 'Come, make in India'. He urged world powers to 'Come, manufacture in India'. He further said, "Sell in any country of the world but manufacture here." It is a very economically beneficial step. In the budget of year 2014 Mr. Arun Jaitley has levied heavy taxes on commodities like cigarettes and liquor. Clean energy cess is levied on product like coal. The tax collected is then been allocated to the ministry of new and renewable energy (MNRE), the nodal department for developing clean energy in the country. Mr. Arun Jaitley has increased this taxation from Rs 50/ tonne to Rs 100/tonne.

- Why commodities like cigarettes and liquor are ideal to levy heavy taxes. (5)
- What economic benefits will Modi's call, "Come make in India" bring? (5)
- Clean energy cess increased from Rs.50/- per Ton to Rs. 100/- per Ton Justify (5)

Q2. What do you understand by term "Demand"? Explain the factors which influence demand for any commodity. Discuss different types of demand.

(15 mark)

OR

Q2.

A. Distinguish between Monopoly and Perfect Competition.

(7 Mark)

B. Discuss the Variations and changes in supply curve.

(8 Mark)

Q3. What is elasticity of demand? Explain price elasticity of demand. Discuss its types with diagram and explain with examples.

(15 Mark)

OR

Q3.

A. Differentiate between positive and normative economics.

(7)

B. Define Economics. Explain concept of micro economics and what is its subject matter. (8)

Q4. Explain the term "Supply" outline the major determinants of supply. State and explain law of supply with supply curve. What are the "other things that must remain same.

(15)

OR

Q4.

A. Distinguish Between:

(7)

- Extension of demand and Increase in demand.
- Contraction of Demand and Decrease in Demand.

B. Explain the terms production and distribution as used in economics. Discuss four categories of production agents.

(8)

Q5. Write Short notes: (Any-3)

(15)

- Budget
- GDP and NDP
- Poverty
- Economic Problem
- Long run and short run production function