VPM's

**K.G.Joshi College of Arts and N.G.Bedekar College of Commerce, Thane**

**Preliminary Test**

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| **Marks: 50** | **Date-** | **Class:** | **Div.** | **Roll No.** |
| **Student’s Name** |  | | **Marks obtained- /50** | |
| **Student’s Sign.** |  | **Supervisor sign-** | **Examiner sign.-** | |

**Q.1 Fill in the blanks.**

1. Economics is a \_\_\_\_\_\_\_\_\_ science. (natural, social )
2. Micro economics is a \_\_\_\_\_\_\_\_\_ equilibrium analysis.(general, partial)
3. Micro economics adopts \_\_\_\_\_\_\_\_\_ approach. (individualistic, aggregative)
4. The credit for the development of Micro economics approach goes to\_\_\_\_\_\_\_\_\_ (Marshall, Keynes)
5. A study of \_\_\_\_\_\_\_\_\_ is micro economics. (firm, whole economy)
6. Micro economics studies \_\_\_\_\_\_\_\_\_ .(small factor, large factor)
7. \_\_\_\_\_\_ \_\_\_\_refers to want satisfying power of a commodity. (Usefulness, Utility)
8. Marginal Utility diminishes as consumption of commodity \_\_\_\_\_\_\_\_\_\_\_(increases, decreases)
9. \_\_\_\_\_\_ utility is utility derived from last unit of commodity consumed. (Average, Marginal)
10. When MU is \_\_\_\_\_\_\_\_\_\_, TU decreases. (negative, positive)
11. Blood donation has \_\_\_\_\_\_\_\_\_\_, utility. ( time, place)
12. A rational consumer wants \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_satisfaction. (adequate, maximum)
13. Marshall assumes \_\_\_\_\_\_\_\_\_\_measurement of utility'.(cardinal, statistical)
14. When price of commodity rises, the demand for it \_\_\_\_\_\_\_\_\_. (rises, falls)
15. Indirect demand is also known as\_\_\_\_\_\_\_\_\_\_ demand. (derived, direct)
16. The law of demand states\_\_\_\_\_\_\_\_\_\_ relation between demand and price. (a direct, an indirect)
17. When price rises, the demand \_\_\_\_\_\_\_\_\_\_\_\_\_\_. (contracts, expands)
18. The sum of individual demand constitutes \_\_\_\_\_\_\_\_\_\_\_\_\_ demand.(market, individual)
19. The demand for consumer goods is \_\_\_\_\_\_\_\_\_\_\_\_. (direct, indirect)
20. The demand for salt is \_\_\_\_\_\_\_\_\_\_\_. (elastic, Inelastic)

**Q.2 State whether the given statements are True or False.**

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| 1. Dr. Marshall is known as the “Father of Modern Economics”. |  |
| 1. Micro economics studies theory of Firms. |  |
| 1. Micro economics deals with allocation of resources. |  |
| 1. Micro economics theory assumes full employment. |  |
| 1. Micro economics theory suggests policies to solve problem of inflation. |  |
| 1. Factor pricing is a subject matter of Macro economics. |  |
| 1. The problems of nations are studies in the Micro economy. |  |
| 1. National Income is studied under Macro economics. |  |
| 1. Scarcity of resources arises only in poor countries. |  |
| 1. Price theory is the base of Micro economic analysis. |  |
| 1. Micro economics is the study of aggregates. |  |
| 1. When Marginal Utility is zero, Total Utility diminishes. |  |
| 1. Utility is the basis of demand. |  |
| 1. Demand curve slopes upwards from left to right. |  |
| 1. Demand is elastic for luxuries. |  |
| 1. Perfectly inelastic demand curve is parallel to the X axis. |  |
| 1. Total outlay is price multiplied by quantity. |  |
| 1. Unitary elastic demand rarely occurs in practice. |  |
| 1. Concept of elasticity of demand is useful for Finance Minister. |  |
| 1. Demand for food grains is elastic. |  |

**Q.3 Match the following:**

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| **I** | **Answer** | **II** |
| 1. Micro Economics |  | 1. Individualistic |
| 1. Laissez Faire Policy |  | 1. Aggregate of utilities |
| 1. Marginal Utility |  | 1. No government intervention |
| 1. Utility |  | 1. Alfred Marshall |
| 1. Total Utility |  | 1. Complementary |
| 1. Law of demand |  | 1. Inelastic demand |
| 1. Demand and Price |  | 1. Substitute goods |
| 1. Car and Petrol |  | 1. Inverse relation |
| 1. Cross Elasticity |  | 1. Want satisfying power |
| 1. Food Grains |  | 1. Utility of last unit |