I
Fill in the blanks:
1. Want satisfying power of commodity is called..........................
2. Difference between personal income and personal tax is....................
3. Inflation accompanied by stagnation on development is called..................
4. An example of direct tax.................................................................
5. When a fall in price of the commodity results in purchase of more commodity is called ......................in demand.
6. Market with large numbers of sellers and heterogeneous products are called.............market
7. When inflation of a commodity is initiated by rise in the wage rate is known as..............
8. In the circular flow of money the.........produced flow from business firm to the households
9. A tax imposed proportional to the value of commodity is..................................
10. Creation of value is called..............................................................

II
Write Short notes on ANY FIVE of the following (5x2=10)
1. Law of supply
2. Gross National Product
3. Elasticity of demand
4. Division of labour
5. Indifference curve
6. Determinants of price elasticity of demand
7. Concept of consumer surplus

III
Answer ANY FIVE of the following (5x4=20)
1. Circular flow of money
2. Difference between Direct tax and Indirect tax
3. Kinked demand curve
4. Major and minor source of public revenue
5. Different types of inflation
6. Income elasticity of demand
7. Classification of markets

IV
Write an essay on ANY ONE of the following (1x10=10)
1. Define inflation and discuss the causes of the inflation. Explain the effects and controlling methods of inflation
2. Explain the price determination under perfect competitive market and explain the situations of supernormal profit, normal profit and loss of the firm with suitable diagram