

2016 NOV.
PRINCIPLES OF ECONOMICS-I

Time Allowed: Three Hours

Maximum Marks : 70

Note:- The candidates are required to attempt *two* questions each from Sections A and B carrying 10 marks each and the entire Section C containing 10 very short answer type questions carrying 3 marks each.

SECTION-A

- [1] What do you mean by demand ? What are the determinants of demand for a commodity ? 3,7
- [2] What is utility ? Discuss the relationship between total utility and marginal utility. 3,7
- [3] Write the superiority of indifference curve analysis over utility analysis. 10
- [4] Define elasticity of demand. Explain the importance of price elasticity of demand. 2,8

SECTION-B

- [5] What is production function ? State and explain law of variable proportions. 2,8
- [6] What do you mean by economics of scale ? Explain various internal and external economics. 2,4,4
- [7] Discuss the short period equilibrium of a firm under perfect competition. 10
- [8] Discuss the meaning and main features of monopolistic competition. How is price determined under monopolistic competition in long period ? 5,5

SECTION-C

[9] Do any *ten* parts :

- (a) Law of demand
- (b) Budget line
- (c) Price effect
- (d) Cross elasticity of demand
- (e) Marginal utility
- (f) Substitute goods
- (g) Law of constant returns
- (h) Market price
- (i) Oligopoly
- (j) Break even point
- (k) Isoquant curves
- (l) Average revenue.

3×10=30
