

Level:	Bachelor	Semester:	Spring 2019
Course Code	Economics (402)	Maximum Marks:	100
Time Allowed:	03 Hours	Pass Marks:	40

Note: ATTEMPT FIVE QUESTIONS. ALL CARRY EQUAL MARKS.

Q. No. 1 Explain definition of economics given by Alfred Marshal. Also differentiate between micro and macroeconomics. (20)

Q. No. 2 What is utility? Explain the equilibrium of a consumer under utility approach (20)

Q. No. 3 Given the supply and demand equations:

$$Q_s = 60 + 2p$$

$$Q_d = 100 - 5p$$

Calculate

(i) Equilibrium price and quantity (10)

(ii) Elasticities of demand and supply at equilibrium position. (10)

Q. No. 4 What are total cost and marginal cost? Also differentiate between the concepts of total cost and marginal cost with the help of a table and diagrams. (20)

Q.No.5. What is meant by an index number? Write down the formulas of index number. Calculate the index number from the following table, taking 2010 as the base year. (20)

Year	Price of Ghee / kg (in rupees)
2010	20
2011	25
2012	28
2013	30
2014	35
2015	38
2016	40
2017	45
2018	50

Q. No.6 What is Gross National Product (GNP)? Give a detailed discussion on GNP measurement and resultant benefits. (20)

Q. No.7 What is accelerator? Discuss its measurement, elements, limitations and its effects on investment. Also briefly discuss about the interaction between the multiplier and accelerator. (20)

Q.No.8. What is central bank? Also discuss its different functions in detail. (20)