

Duration: 2 Hours

Total Marks: 50

- Instructions: 1) All questions are compulsory
2) Figures to the right indicate full marks.
3) Begin each question on a new page.

Q1. Answer the following questions: (1x5)

1. State Robbins definition of economics.
2. What is total utility?
3. Write the formula to calculate cross elasticity of demand.
4. What are dis-economies of scale?
5. Define Production function.

Q2.Fill in the blanks: (1x5)

1. If 10% rise in the price of commodity causes the demand to fall by 20% then demand is _____.
2. The formula to calculate average product _____.
3. If the firm has constant returns to scale and it increases its variable factors by 10 percent, output will also increase by _____.
4. Average Product is written as _____.
5. Income increases by 20% and demand decreases by 10%, then income elasticity of demand is _____.

Q3a.Explain the Law of Diminishing Marginal Utility . (10)

OR

Q3b.Define Supply. Outline the factors which affect the Supply for commodities. (10)

Q4a.With the help of diagram explain the types of Income elasticity. (10)

OR

Q4b.Explain the features of monopolistic market . (10)

Q5a. Explain the three stages of Law of returns to scale. (10)

OR

Q5 b. Graphically Illustrate types of price elasticities of Demand.

Q6a.Discuss the Loanable Theory of Interest. (10)

OR

Q6b.Explain with the help of a diagram the Modern Theory of Rent. (10)