Date: 01-04-2019   Dept. No.   Max. : 100 Marks

Time: 01:00-04:00

PART – A

Answer any FIVE questions in about 75 words each: **(5 x 4 = 20 Marks)**

1. Explain Deductive Method of reasoning in economics.
2. State the Law of Diminishing Marginal Utility.
3. Explain Income Effect.
4. Define 'Iso-Quant'.
5. What are the assumptions of an indifference curve?
6. Define constant returns to scale.
7. What is meant by consumer surplus?

PART – B

Answer any FOUR questions in about 250 words each: **(4 x 10 = 40 Marks)**

8. Why does demand curve slope downwards? Explain.
9. Explain the factors influencing price elasticity of demand.
10. Examine the properties of an indifference curve.
11. Explain the Law of Variable Proportions with diagram.
12. Distinguish between returns to factor and returns to scale.
13. Examine the concept of marginal rate of technical substitution.
14. Diagrammatically analyse the long run equilibrium of a firm under perfect competition.

PART – C

Answer any TWO questions in about 900 words each: **(2 x 20 = 40 Marks)**

15. Analyse how the basic problems of an economic system are answered under Mixed Economy.
16. Diagrammatically explain consumer's equilibrium with indifference curves.
17. Derive a long run average cost curve with the help of a diagram.
18. Analyse the determination of price and output under monopolistic competition.

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