Roll No									

NATIONAL INSTITUTE OF TECHNOLOGY GOA

Farmagudi, Ponda, Goa, 403401

Programme Name: B.Tech./M.Tech./Ph.D.

Mid Semester Examinations, February-2018

Course Name: Economics
Date: 10-03-2022
Duration: 1.5 Hours

Course Code: HS 250
Time: 09.30 A.M-11.00.A.M
Max. Marks: 50

ANSWER ALL QUESTIONS

1. List out five daily used goods and services and analyze in which forms of the market they belong to with your own justification. **[3]**

2. Describes the nature of demand curve for the commodities in question (1) concerning whether they are discrete or continuous? (b) Why does the demand curve slope downwards? C) Under any circumstances, can a demand curve slope upward? Why or why not? **[2+2+2=6]**

3. (a) State and explain a supply function. (b) State the law of supply and draw an imaginary supply curve. (c) What is the main assumption of the law of supply? (d) What happens when the assumption does not hold in any particular situation? Explain with an example **[2+2+2+2=8]**

4. Examine how the following cases make the changes in your supply curve of section (b) question number 3.

Case 1: There is a hike in the cost of input

Case 2: A revolutionary technology brings down the production cost substantially

Case 3: There is an increase in the price of the final product **[6]**

5. What are the different ways of allocating resources? Explain their merits and demerits? According to you, among them, what mechanism gives us the best results? Why? **[7]**

6. (a) Draw a budget line and mark its various labels. (b) Prove that the slope of a budget line is equal to the opportunity cost of the same. (c) Under what conditions a budget line can make the following changes:

i) Rightward shift

ii) A change in its vertical intercept (ONLY) **[2+2+2=6]**

7. Differentiate between the following: **[8]**

a. Strict preference and weak preference
b. Marginal rate of substitution and marginal utility
c. Normal goods and Giffen goods
d. Income offer curves and price offer curves

8. Explain various properties of indifference curves with the help of diagrams **[6]**