Nirma University

Institute of Technology

Semester End Examination (IR/RPR), December 2020
B.Tech. Semester III
2HS342 – Principles of Economics

Roll/ Exam No.		Supervisor's initial with date	

Time: 90 Minutes   Max. Marks: 40

Instructions: 1. Attempt all questions.
                  2. Figures of right indicate full marks.
                  3. Draw neat sketches wherever necessary.

Q1 CLO1	A	Explain the Law of Variable Proportion with the help of a diagram. Explain the different stages with reasons.	05
Q1 CLO1	B	What is Price Elasticity? Using geometry explain different numerical values of price elasticity.	05
Q2 CLO2	A	Diagrammatically explain the features of demand curves of different market situations.	05
Q2 CLO2	B	From the following cost function of a company, find out AFC, AVC, ATC and MC $$C = 100 + 5Q^2$$ The given Q is 10	05
Q3 CLO3		Distinguish between commercial bank and central bank (RBI) in the context of their respective functions. OR What is Inflation? Discuss the demand-pull inflation.	10
Q4 CLO3		Explain Factor income Method of measuring National Income with proper steps.	10