

Mid-Term Examination
September 2019

Programme: B.E
Course Name: Economics
Maximum Marks: 20

Year/Semester: 2019/3rd
Course Code: HSS 201
Time allowed: 1.5 Hours

Notes:

1. All questions are compulsory.
2. The candidates, before starting to write the solutions, should please check the question paper for any discrepancy, and also ensure that they have been delivered the question paper of right course code.

Q.No.		Marks
1.	a) "Economics is a Science that studies human behaviour as a relationship between ends and scarce means which have alternative uses." Critically evaluate this statement.	3
	b) "Law of Equi-Marginal Utility is also known as Law of Maximum Satisfaction." Diagrammatically explain.	2
	c) "The Law of Demand explains the inverse relationship between Price and Demand." In the light of this statement, illustrate the Giffen effect and Veblen's effect.	2
2	a) Justify the following statements with a suitable example: i. "Proportion of Income Spent on a Commodity and Role of Complementary Goods determine the Elasticity of Demand." ii. "Economics and History are closely related like brothers."	2 2
	b) "Law of Diminishing Marginal Utility describes a familiar and fundamental tendency of human behaviour." Critically analyse this statement.	3
3	a) What is the Degree of Elasticity of Demand when the Demand Curve is a straight line parallel to OY-axis. Explain the degree with example.	2
	b) How the Implicit Cost is different from the Explicit Cost. Give one example each.	2
	c) "People are poor, because they are poor." Justify with reference to poverty trap in view of the book 'Poor Economics'.	2

End-Term Examination

November 2019

Programme: **B.E**
Course Name: **Economics**
Maximum Marks: **40**

Year/Semester: **2019/3rd**
Course Code: **HSS 201**
Time allowed: **3 Hours**

Notes:

1. All questions are compulsory.
2. The candidates, before starting to write the solutions, should please check the question paper for any discrepancy, and ensure that they have been delivered the question paper of right course code.

Q.No.		Marks
1	a) "Economics is about making choices in the presence of Scarcity". Critically evaluate this statement.	3
	b) "The price of product changes and other factors are constant". Diagrammatically explain this movement of the Demand Curve.	2
	c) You are working for Coca Cola as Marketing Head, the company is planning to float a new drink which is white in colour. Derive a pricing strategy for the same, keeping in view the concept of Elasticity of Demand.	3
2.	a) "The additional benefit which a person derives from a given increase of his stock of a thing diminishes with every increase in the stock that he already has, other things being equal". Critically analyze this statement with the help of a diagram.	4
	b) "Law of Demand is a one sided relation". Show the relationship with an example.	2
	c) Why will a producer always choose to produce at the second Stage of Law of Variable Proportion? Illustrate the reason for the same with a figure.	2
3.	a) "Selling-cost is a pre-requisite for some and is discretionary for others". Justify this statement in the light of the Market Structure of the commodity.	3
	b) Formulate a Pricing Plan for a toy store, considering there is Perfect Competition in the market.	2
	c) "Monetary and Fiscal measures play an important role to curb Inflation". Support your answers with the help of two tools of each.	4

4.	a)	There are many difficulties in measuring National Income. However, it is essential to identify sources of income and heads of expenditure. Assess with 6 reasons.	3
	b)	Differentiate between the following: i. Return to Factor and Return to Scale ii. Fixed Cost and Variable Cost	2 each
5.		Examine the following statements: i. "Economics and Engineering are inseparable". ii. "Real measure of National Income is NNP and not GDP". iii. "Monopoly price is always higher than the competitive price". iv. "Large scale production leads to economies of scale".	2 each