

RDR/ORT/2KNT – 10298/10328

**B. E. Fifth Semester (EL/ET/CT/IT) / Fifth SoE – 2014-15
Examination**

Course Code : GE 1312 / GE 306

**Course Name : Fundamental of
Economics**

Time : 3 Hours/4 Hours]

[Max. Marks : 60

Instructions to Candidates :—

- (1) All questions are compulsory.
- (2) All questions carry marks as indicated.
- (3) Due credit will be given to neatness and adequate dimensions.
- (4) Assume suitable data wherever necessary.

1. Solve Q. A or Q. B :—

- (A1) Yesterday, the price of envelopes was 40 rupees a box, and Pooja was willing to buy 20 boxes. Today the price has gone up to 45 rupees a box, and Pooja is now willing to buy 12 boxes. Is Pooja's demand for envelopes elastic or inelastic ? What is Pooja's elasticity of demand ? 4
- (A2) Illustrate importance of economics. 4
- (A3) What is concept and type of utility ? 2

OR

- (B1) When a price of product is 15 per unit, consumers buys 18 Units of that good. When price rises to 22 per unit, the consumer continue to buy 18 units. Calculate price elasticity of demand and draw the demand curve for the respective. 4
- (B2) What is the difference between cardinal and ordinal utility ? 4
- (B3) Present relationship between price and supplied in the market. 2

2. Solve Q. A or Q. B :—

- (A1) "Capital is an engine of production process". Interpret. 4

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Contd.

- (A2) "Innovation is the key of an effective entrepreneurship". Clarify. 4
- (A3) Define land and labour. 2

OR

- (B1) "Land is the free gift of nature". Give explanation. 4
- (B2) Define various factors of production. 4
- (B3) What is the difference between fixed cost and variable cost ? 2

3. Solve **Q. A** or **Q. B** :—

- (A1) What are the various forms of market structure based on competition ? 4
- (A2) How price and output determine under Monopoly ? 4
- (A3) Brief about monopoly and duopoly. 2

OR

- (B1) Explain nature of demand curves for firm and industry. 4
- (B2) Explain Kinked Demand curve analysis of Paul Sweezy. 4
- (B3) What is monopolistic competition ? 2

4. Solve **Q. A** or **Q. B** :—

- (A1) Explain concept of GDP and GNP. 4
- (A2) "Per capita income is a measure of economic well being". 4
- (A3) What is capital formation ? 2

OR

- (B1) What is economic development ? Illustrate various factors affecting economic development. 4
- (B2) What should be considering as a measure of economic development GDP or GNP ? Write in detail. 4
- (B3) What is NDP ? 2

5. Solve **Q. A** or **Q. B** :—

- (A1) What is inflation ? What are the various supply factors causes of inflation ? 4
- (A2) What are the various functions of Central Bank ? 4
- (A3) Write about indirect tax in detail. 2

OR

- (B1) What is public revenue ? Explain various sources of public revenue. 4
- (B2) What do you mean by taxes ? Explain various characteristics of taxation system. 4
- (B3) Deflation and Stagflation. 2

6. Solve **Q. A** or **Q. B** :—

- (A1) What do you mean by closed economy ? Explain various flaws of closed economy to compare with open economy. 4
- (A2) What are the various fundamental principles of GATT ? 4
- (A3) How exchange rate determine under various types of exchange rate system ? 2

OR

- (B1) Critically evaluate the various benefits of open economy in context with present economic situation. 4
- (B2) What is WTO and what are the objectives of it ? 4
- (B3) Write short note on International Monetary Fund. 2