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NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA

(An Autonomous Institute Affiliated to AKTU, Lucknow)

B.Tech

SEM: II - THEORY EXAMINATION (2023- 2024)

Subject: Fundamentals of Economics

Time: 2 Hours

Max. Marks: 50

General Instructions:

IMP: Verify that you have received the question paper with the correct course, code, branch etc.

1. This Question paper comprises of **three Sections -A, B, & C.** It consists of Multiple Choice Questions (MCQ's) & Subjective type questions.
2. Maximum marks for each question are indicated on right -hand side of each question.
3. Illustrate your answers with neat sketches wherever necessary.
4. Assume suitable data if necessary.
5. Preferably, write the answers in sequential order.
6. No sheet should be left blank. Any written material after a blank sheet will not be evaluated/checked.

SECTION A

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1. Attempt all parts:-

- 1-a. When the change in demand is exactly equal to the change in price, it is called.(CO1) 1
- (a) Perfectly inelastic demand
 - (b) Relative elastic demand
 - (c) Unitary elastic demand
 - (d) None of these
- 1-b. In the long run a monopolist would always.(CO2) 1
- (a) Incur losses
 - (b) Earn supernormal profit
 - (c) Lower its price
 - (d) Earn at least normal profit
- 1-c. Expansion in a business cycle is generally accompanied by.(CO3) 1
- (a) Deflation
 - (b) Inflation

- (c) Negative growth
(d) None of the above
- 1-d. Employment tends to rise when.(CO4) 1
(a) Aggregate output falls
(b) Unemployment rises
(c) Aggregate output rises
(d) Labor productivity falls
- 5 A fall in the price of a commodity leads to.(CO1) 1
(a) A shift in demand
(b) A fall in demand
(c) A. rise in consumer's real income
(d) None of these
- 6 The relationship between price and quantity demanded is.(CO1) 1
(a) Positive
(b) Inverse
(c) Linear
(d) None of these

2. Attempt all parts:-

- 2.a. Distinguish between micro and macro economics. (CO1) 2
2.b. List various indirect taxes.(CO2) 2
2.c. Explain the functions of Money Market.(CO3) 2
2.d. Explain cash reserve ratio.(CO4) 2

SECTION B

16

3. Answer any four of the following:-

- 3-a. Distinguish between demand schedule and demand curve.(CO1) 4
3-b. Briefly explain various forms of market structure.(CO2) 4
3.c. Write a short note on fiscal policy.(CO3) 4
3.d. Outline causes of high unemployment in India.(CO4) 4
3.e. List and explain the causes of right shift in demand curve.(CO1) 4

SECTION C

20

4. Answer any one of the following:-

- 4-a. Discuss various factors that affect supply of products.(CO1) 5

4-b. Discuss exceptions to the law of demand.(CO1) 5

5. Answer any one of the following:-

5-a. Describe the different stages in the law of variable proportions in terms of marginal product. Give reasons behind each phase with the help of a diagram.(CO2) 5

5-b. List and explain various factors affecting the cost of production in India.(CO2) 5

6. Answer any one of the following:-

6-a. Compare and contrast consumption function and investment function.(CO3) 5

6-b. Briefly explain various methods of measuring national income. List conceptual problems confronted in estimating national income.(CO3) 5

7. Answer any one of the following:-

7-a. Narrate the fiscal policy of India. Discuss important features of India's fiscal policy.(CO4) 5

7-b. Define monetary policy. Describe the instruments of monetary policy.(CO4) 5

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