

SUMMER SEMESTER EXAMINATION: JULY, 2019

ECONOMICS FOR ENGINEERS

Time : 3 Hrs.

Maximum Marks : 70

Note: *Attempt questions from all sections as directed.*

SECTION – A (30 Marks)

Attempt any five questions out of six.

Each question carries 06 marks.

1. Discuss the relationship between Average Revenue and Marginal Revenue in various market forms.
2. Explain various variants of Short Run Costs of Production. Use graphs and equations.
3. Suppose $Q_d = 100 - 20P$, $P = 02$, calculate price elasticity of demand. Is the demand elastic or inelastic?
4. Distinguish between balance of payment and balance of trade? What do you mean by deficit and surplus in balance of payment of a country?
5. Explain the difference between a shift in the demand curve and a movement along the demand curve?

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6. Diagrammatically explain the derivation of demand curve in case of single commodity in terms of Marshallian utility analysis?

SECTION – B (20 Marks)

Attempt any two questions out of three.

Each question carries 10 marks.

7. "As price falls the quantity supplied falls. As supply increases price falls." Use supply and demand analysis to explain why these two statements do not contradict each other.
8. Discuss main features or characteristics of Monopolistic and Monopoly Market.
9. With the help of Isoquants explain the conditions for producer's Equilibrium.

SECTION – C (20 Marks)
(Compulsory)

10. (a) Explain the various methods of calculating national income? What precautions should be taken while calculating national income by income method? (7+3)
- (b) Why demand curve is negatively sloped? Explain. (5)
- (c) Explain the exceptions of law of demand. (5)