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Total No. of Pages : 02

Total No. of Questions : 09

B.Sc. (Agriculture) (2014 to 2018) (Sem.-2)

PRINCIPLES OF ECONOMICS

Subject Code : BSAG-202

M.Code : 72357

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B contains FIVE questions carrying FIVE marks each and students have to attempt any FOUR questions.
3. SECTION-C contains THREE questions carrying TEN marks each and students have to attempt any TWO questions.

SECTION-A

1. Write briefly :

- (a) Perfect vs. imperfect competition
- (b) Cash reserve ratio
- (c) Factor cost vs. market price
- (d) Elasticity of demand
- (e) Consumer's surplus
- (f) Balance of trade
- (g) Depreciation
- (h) Factors of production
- (i) Point price elasticity of demand
- (j) Monopoly

SECTION-B

2. What is dead weight loss? How does it arise under monopoly?
3. Explain and draw indifference curves in the case of perfect substitutes and perfect complements.
4. What are the causes of inflation? Distinguish between cost-push inflation and demand-push inflation.
5. “*Perfect competition is a myth*”. Do you agree? Give reasons for your answer.
6. Differentiate between GDP and GNP. Which one is the better measure of the income and why?

SECTION-C

7. Explain the law of equi-marginal utility. Show how the demand curve can be derived from the marginal utility curve.
8. Distinguish between monopoly and discriminating monopoly. How prices are determined under simple monopoly? Explain diagrammatically.
9. Using Simple Keynesian model, discuss the effect of the following :
 - (a) An increase in government expenditure.
 - (b) A decrease in lump sum taxes.

In this context, compare the government expenditure multiplier with tax multiplier.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.