

2124

B.E. (Electronics and Communication Engineering)

Third Semester

HSS-301: Economics

Time allowed: 3 Hours

Max. Marks: 50

NOTE: Attempt five questions in all, including Question No. 1 which is compulsory and selecting two questions from each Unit.

x-x-x

I. Answer the following:-

- a) What are normal goods?
- b) What are inferior goods?
- c) What is a mixed economy?
- d) What is a fixed cost?
- e) What is the definition of utility?

(5x2)

UNIT - I

- II. Explain the law of demand and discuss the factors that could lead to a shift in the demand curve. Provide real-world examples to illustrate your answer. (10)
- III. Explain the difference between short-run and long-run costs. Discuss how fixed costs behave in the short run and long run. (10)
- IV. Discuss the implications of the law of variable proportions for a firm's short-run production decisions. How can a firm use this law to optimize its resource allocation? (10)

UNIT - II

- V. a) What is inflation? Explain how it is measured.
b) What are the main causes of inflation in an economy? Explain the difference between demand-pull and cost-push inflation. (10)
- VI. Discuss the characteristics of perfect competition. Explain why firms in such a market are considered price takers and how the market achieves both allocative and productive efficiency. (10)
- VII. What is national income? Explain the Income Method of calculating national income. What are the main components included under this method? (10)

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