Exam.Code:0922
Sub. Code: 33530

2056

B.E. (Information Technology)

Fourth Semester

HSMC - 401a: Economics

Time allowed: 3 Hours | Max. Marks: 50

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

x-x-x

I. Attempt the following:-

a) What are the basic economic problems?

b) Mention any two features of economics.

c) Distinguish between normal goods and inferior goods.

d) What is substitution effect?

e) Differentiate between elastic and inelastic demand.

f) What is consumer equilibrium?

g) What is price discrimination?

h) Define value added.

i) What is demand-pull inflation?

j) What is per capita income? (10x1)

UNIT - I

II. Define economics and explain its nature, scope, and importance in detail. (10)

III. Critically examine how the concept of elasticity of demand is applied in real-world business decisions and government policy-making, with suitable examples. (10)

IV. Explain the Law of Diminishing Marginal Utility with a suitable example. Also state the applicability of the Law of Diminishing Marginal Utility. (10)

UNIT - II

V. "Perfect competition is a theoretical construct rather than a practical reality." Critically evaluate this statement. Analyse the extent to which digital markets and globalization have reduced the relevance of perfect competition. (10)

VI. Define inflation. Explain its causes, effects, and control measures in detail. (10)

VII. Define national income. Explain the three methods of measuring national income with suitable examples. (10)

x-x-x