

COURSE CODE (CREDITS): 25B11HS311(3)

MAX. MARKS: 15

COURSE NAME: Economics

COURSE INSTRUCTOR: TGM, VDN, VLS

MAX. TIME: 1 Hour

Note: (a) All questions are compulsory.

(b) The candidate is allowed to make Suitable numeric assumptions wherever required for solving problems

(c) Use of calculator is allowed

Q. No.	Question	CO	Marks
Q1	a) Elaborate on the economic system of any country you are familiar with explaining how it has contributed to the economic development of that country.	1	3+2
	b) In one hour, Sally can complete 4 reports or she can write 8 computer programs. Calculate the opportunity cost for writing one report and forgoing 2 computer programs.	2	
Q2	a) Which factors lead to a shift in the supply curve? List and explain in one or two lines. Would they also lead to movement along the supply curve? b) If the demand and supply curve for computers is: $D = 100 - 6P$, $S = 28 + 3P$, where P is the price of computers, what is the quantity of computers bought and sold at equilibrium?	3	3+2
Q3	a) Which type of elasticity helps identify substitutes and complements? Explain how. b) Based on the above graph calculate the Total Revenue at points A and B. Based on your calculation is demand elastic, inelastic or unitary elastic between these two points? Explain briefly.	2	2+3