

(Following Paper ID and Roll No. to be filled in your Answer Book

PAPER ID : 9202

Roll No.										
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Int. LLB Examination 2013-2014

(First Semester)

ECONOMICS-I

Time : 3 Hours]

[Maximum Marks : 70

Note :- All questions are compulsory.

SECTION-A

1. Fill in the blanks :
 - (a)is known as father of Economics.
 - (b)concept is the modern concept of Economics.
 - (c) The.....study helps the managers in managing the internal environment of the organisation.
 - (d) An indifference curve.....intersect each other.
 - (e) The marginal utility theory was propounded by.....
 - (f) An individual consumer or particular market for a given commodity are subject matter of.....

[P. T. O.

- (g) The act of making good and services is called _____.
- (h) If the price increases there will be _____ in consumer surplus.

- (i) _____ in economics means a desire to possess a good supported by willingness and ability to pay it.
- (j) The demand curve slopes downward from left to right also because of the _____.
- (k) Inferior goods have a _____ income elasticity of demand.
- (l) _____ of demand is the degree of responsiveness of quantity demanded of a good to a change in its price.
- (m) _____ of scale refer to advantages of large scale production.
- (n) The isoquants are _____ to the origin due to diminishing marginal rate of substitution.
- (o) By 'Profits' the accountant means total revenue minus _____.
- (p) _____ are the cost of the factor units that are owned by the employer himself.
- (q) Under perfect competition the firms are producing _____ product.
- (r) Accounting profit include wage _____ interest.
- (s) A normal demand curve has _____ slope.

- (t) The risk theory of profit was developed by.....

SECTION-B

Note :- Answer any **three** of the following :

2. (a) 'Economics is a study of human welfare'. Discuss this statement.
- (b) What is the law of demand? What are the explanations of this law of demand?
- (c) What do you mean by 'opportunity' cost? Explain with the help of examples.
- (d) Discuss the marginal productivity theory of wages. What are its shortcomings?
- (e) Make a comparison between 'risk bearing and uncertainty bearing theories of profit.

SECTION-C

Note :- Attempt any **one** from each questions. 5x7=35

3. (a) What is the central nucleus of the economics? Explain in the context of the scope of economics.

OR

- (b) What is the importance of the concept of equilibrium in economics? What is the meaning of equilibrium of a consumer?

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4. (a) What do you understand by indifference curve? What are their characteristics?

OR

- (b) What do you understand by elasticity of demand? What are the factors that affect elasticity of demand?
5. (a) Production is the process of transforming inputs into output. Do you agree with this statement? What are the factors needed for this process?

OR

- (b) What do you understand by perfect competition market? Explain its characteristics. Differentiate between perfect and pure competition.
6. (a) What do you understand by 'Quasi Rent'? Why does it arise? How does it differ from general concept of rent?

OR

- (b) Write short notes on any two of the following :
- (i) Pure interest rate
 - (ii) Disharding
 - (iii) Liquidity trap
 - (iv) Uninsurable risks
 - (v) Explicit cost

7. (a) Discuss the Kaldor-Hicks compensation principle. What is its importance in the context of Pareto optimum?

OR

- (b) How is the Net Present Value (NPV) criterion better than the Average Rate of return criterion.

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7 (a) Discuss the Kaldor-Hicks compensating variation principle. Why is its importance in the context of efficiency?

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