

BACHELOR OF TECHNOLOGY (CBCS - 2023)
B. Tech. Sem-II COMPUTER SCIENCE & BUSINESS SYSTEMS : SUMMER : 2024
SUBJECT: FUNDAMENTALS OF ECONOMICS

Day : Monday
Date : 03/06/2024

S-27711-2024

Time : 10:00 AM-01:00 PM
Max. Marks : 60

N.B.

- 1) All questions are **COMPULSORY**.
- 2) Figures to the **RIGHT** indicate **FULL** marks.
- 3) Assume suitable data **WHEREVER** necessary.
- 4) Draw neat diagrams **WHEREVER** necessary.

Q.1 Discuss the factors that can lead to a shift in the demand curve. Use real world (10)
examples to explain how these factors influence demand.

OR

Q.1 Describe the short run and long run supply curve for a firm. How do they differ and (10)
why?

Q.2 Illustrate how the individual demand curve is derived from the consumer's (10)
equilibrium. What does this curve represent?

OR

Q.2 Describe the effect of subsidy on market equilibrium. Use a diagram to illustrate the (10)
changes in consumer and producer surplus.

Q.3 Describe what ISO-Quants represent in production theory. What are the properties (10)
of ISO-Quants and how do they differ from indifference curves in consumer theory.

OR

Q.3 Discuss the principles of cost minimization. How do firms determine the optimal (10)
combination of inputs to minimize costs for a given level of output?

Q.4 Explain the concept of Net Domestic Product (NDP). How is it derived from Gross (10)
Domestic Product (GDP) and what does it indicate about an economy.

OR

Q.4 Using a diagram, illustrate the relationship between consumption and income. How (10)
do changes in consumer confidence and interest rates shift the consumption
function?

Q.5 Explain the concept of money multiplier. How is it calculated and what factors (10)
influence its size?

OR

Q.5 Describe the IS-LM model and explain its significance in micro analysis. What do (10)
the IS and LM curves represent.

Q.6 How can government policies address wage and price rigidities? Provide examples (10)
to support your answers.

OR

Q.6 Examine the role of wage rigidity in creating involuntary unemployment. How does (10)
this concept challenge the classical view of labor market?
