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INTERNATIONAL CENTRE FOR APPLIED SCIENCES
(Manipal University)
IV SEMESTER B.S. DEGREE EXAMINATION – APRIL / MAY 2017
SUBJECT: ECONOMIC ANALYSIS (HS 243)
(COMMON TO ALL BRANCH)
Tuesday, 25 April 2017

Time: 3 Hours

Max. Marks: 100

- ✓ **Answer ANY FIVE FULL Questions.**
- ✓ **Draw diagrams wherever necessary.**

1A. Explain the different Cost Concepts and classifications with the relevant examples.

1B. Define “Micro Economics” and “Macro Economics” and point out the differences between the two. (15+5)

2A. A monopoly firms which adopts the policy of price discrimination is referred to as a discriminating monopoly. It is basically confined to a notion of charging different prices for same product to different customers in different markets. With detailed explanation state the different forms of Price Discrimination.

2B. The Law of Diminishing marginal utility (DMU) lies at the centre of the cardinality approach, it is based on suitability features of human wants which is taken separately at a time. Explain the DMU with diagrammatic representation and with related table. (15+5)

3A. Define “National income “and discuss the different methods of estimating National income. What are the conceptual and statistical problems involved in its estimation?

3B. Explain the long run cost-out put relationship. (15+5)

4A. while quantitative credit controls affect the total quantity of credit supplied to the economy, selective controls influence the purpose of credit. It also proves more effective by diverting credit to productive activities in the economy. With regard to the above fact elucidate the various tools of selective credit control.

4B. The causes of inflation are many and varied which are classified under increase in demand and decrease in supply of products. Identify the major causes of inflation affecting demand of goods. (15+5)

5A. What are the features of a Business cycle? Explain the different phases of a typical Business cycle. Point out the measures that can be undertaken by a business firm in order to minimise the ill effects of a business cycle.

5B. Briefly explain the nature of economic laws. (15+5)

6A. “As the proportion of one factor in a combination of factors is increased after a point, the average and marginal production of that factor will diminish”. With the above mentioned statement graphically explain the Law of Variable Proportions with related table.

6B. The demand for a commodity is elastic or inelastic will depend on variety of factors. Identify any FIVE factors which influence Elasticity of demand.

(15+5)

7A. The fiscal operations of the government for promoting the economic development of developing economies act as an investor, stabilizer, as a saver and income distributor. Discuss the role played by fiscal policy for economic development.

7B. The Marginal rate of Substitution tells us how much of one good a person is willing to give up gaining more of another good, while remaining is indifferent. Explain the indifference curve related to the Marginal rate of Substitution (MRS) with diagram.

(15+5)

8A. “ As a firm in the long run increases the quantities of all factors employed, other things being equal the output may rise initially at a more rapid rate than the rate of increase in input, then output may increase in the same proportion of input, and ultimately output increases less proportionately”. With related statement diagrammatically describe the law of returns to scale with suitable table.

8B. Write a note on the “Growth Oriented Definition “of economics. (15+5)

