Seat No.: ________ Enrolment No.___________

GUJARAT TECHNOLOGICAL UNIVERSITY

B.PLAN - SEMESTER–II EXAMINATION – WINTER 2015

Subject Code: 1025501 **Date: 07/12/2015**

Subject Name: Elements of Economics

Time: 02:30pm to 04:30pm **Total Marks: 50**

Instructions:

1. **Attempt all questions.**
2. **Make suitable assumptions wherever necessary.**
3. **Figures to the right indicate full marks.**

Q.1 **(a)** (1) Markets are defined as the collection of _____________, that determine the price of a good or set of goods. **06**

(a) Exporters (b) buyers and sellers
(c) shops (d) goods

(2) The ___________ Cost represents the total expenses paid out even when no output is produced.

(a) Maximum (b) Fixed
(c) Marginal (d) Variable

(3) Land and Labour are the _________of production.

(a) Factors (b) Components
(c) Elements (d) Products

(4) In a ___________ market the producers sell 'identical' products.

(a) Common (b) Perfectly Competitive
(c) Imperfectly Competitive (d) Rural

(5) The concept of '______' was put forward by Adam Smith

(a) Visible Hand (b) Macroeconomics
(c) God's Hand (d) Invisible Hand

(6) GDP stands for _________

(a) Gross Domestic Parameter (b) Gross Domestic Product
(c) Gross Disinvestment Product (d) Growth Domestic Product

(b) Define following terms: (Any Four) **04**

(1) Macroeconomics
(2) Microeconomics
(3) Economics
(4) Primary sector
(5) Total Product

Q.2 (a) What do you understand by the term 'factors of Production'? Why are they important? **05**

(b) What is Economics? What is its importance in planning? **05**

OR

	(b)	List down the factors of production required for manufacturing 'sugar'.	**05**
Q.3	**(a)**	What are the different categories of the sectors of economy on the basis of ownership, nature of activity and conditions of workers?	**05**
	(b)	Which factors influence the Price Elasticity of Demand?	**05**
		OR	
Q.3	**(a)**	Explain 'Law of Demand' with proper sketch.	**05**
	(b)	Explain 'Law of Supply' with proper sketch.	**05**
Q.4	**(a)**	Define: Fixed Cost, Variable Cost, Total Cost, Average Cost, Marginal Cost	**05**
	(b)	Identify factors which will influence the demand of motor cars? What are the factors which influence the supply of a fruit juice?	**05**
		OR	
Q.4	**(a)**	What is the Law of Diminishing Returns? Give any one example in detail.	**05**
	(b)	Explain what are GDP and GNP.	**05**
Q.5	**(a)**	What are the different types of imperfectly competitive market? Give at least one example of products for each type of market	**05**
	(b)	What are the sources of market imperfection?	**05**
		OR	
Q.5	**(a)**	What is national income? What are the indicators used to measure national income?	**05**
	(b)	Write in a tabular format difference between monopoly and oligopoly types of competition with respect to number of producers, degree of product differentiation and degree of firm's control over prices.	**05**

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