

**M 110/050**

Enrolment Number										
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*Total No. of printed pages = 03*

**Monsoon, 2023**  
**UG Semester Examinations**  
**INTRODUCTORY ECONOMICS**  
**Course Code: BEM23101T**

**Full Marks – 50**

**Time – 2 hours**

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*The figure in the margin indicates full marks for the questions.*

Q1. Choose the correct option:

1X10=10

- i) Positive income elasticity of demand is applicable when goods are
  - A) Inferior
  - B) Superior
  - C) Normal
  - D) None
- ii) Addition made to total revenue due to sale of one extra unit of production is defined as.....
  - A) Average Revenue
  - B) Marginal Revenue
  - C) Total Cost
  - D) Social Cost
- iii) Opportunity cost is included in.....
  - A) Explicit Cost
  - B) Implicit Cot
  - C) Accounting Cost
  - D) Both A& C
- iv) Economic goods are those goods which have
  - A) Market
  - B) Price
  - C) Demand
  - D) All A, B AND C
- v) National Income of a country is measured in terms of
  - A) Net National Product (NNP)
  - B) Per Capita Income (PCI)

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- C) Personal Income
- D) Circular flow of Income
- vi) How does public finance differ from private finance?
  - A) Public finance focuses on individuals, while private finance focuses on governments.
  - b) Public finance deals with government revenue and expenditure, while private finance involves personal finances.
  - c) Public finance is solely concerned with taxation, while private finance is centered on investments.
  - d) Public finance and private finance have identical goals and principles.
- vii) How do direct taxes differ from indirect taxes?
  - A) Direct taxes are applied to goods and services, while indirect taxes are levied on individuals' income.
  - B) Direct taxes are progressive, while indirect taxes are regressive.
  - C) Direct taxes are imposed on individuals or businesses, while indirect taxes are collected from the general public.
  - D) Direct taxes and indirect taxes serve the same purpose and have no differences.
- viii) The concept of progressive taxation states about ...
  - a) A tax system where everyone pays the same percentage of their income.
  - b) A tax system where higher-income individuals pay a higher percentage of their income.
  - c) A tax system where lower-income individuals pay a higher percentage of their income.
  - d) A tax system where taxes are not based on income.
- ix) A production function is a technical relationship between
  - A) Land and Labour
  - B) Labour & Capital
  - C) All Input and Final Output
  - D) Technical Efficiency and Labour
- x) .....states that quantity demanded of a commodity is inversely related to the change in its price.
  - A) Law of Supply
  - B) Law of Demand

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C) Law of Production

D) Law of Variable Proportion

Q2. Short Questions (Answer any 4 out of 6) (word limit: Maximum 150 per question) 4x5=20

- i) Derive “Law of Demand” with suitable table and diagram.
- ii) What are the branches of Economics? Explain with suitable example.
- iii) What are economies and diseconomies of scale? What are the reasons behind operation of different economies of scale.
- iv) Define ‘Isoquant’ with appropriate diagram.
- v) Define Gross National Product and Gross Domestic Product. What is the rate of growth of Indian Economy during 2021-22.
- vi) What is the purpose of taxation in an economy?

Q3. Long Question (Answer any 2 out of 4) (Maximum word limit 300 per question) 2x10=20

- i) What are some factors, other than price, that can influence the demand for a product? Discuss about the concept of price elasticity of demand. 7+3
  - ii) What is buoyancy and elasticity of tax? Explain about progressive, regressive and proportional taxation. 2+3 +5
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- i) Write short note on 5+5
    - a) Income elasticity of demand
    - b) Public vs Private goods
  - ii) Explain about the circular flow of income for a three sector economy and four sector economy. Mention about the State Domestic Product and Per Capita Income of Assam during last year and current year. 4+4+2