

Roll No.

Total No. of Pages : 2

1(ADS)1
ECONOMICS-I
III-O

Time : Three Hours]

[Maximum Marks : 100

Note :- (i) Each question or part thereof shall begin on a fresh page.
(ii) Your answers should be precise and coherent.
(iii) Attempt any **FIVE** questions. Question No. **1** is compulsory. All questions carry equal marks.

1. (a) Explain existence, uniqueness and stability of equilibrium. 10
(b) List out forces of equilibrium of a firm in an industry and forces of equilibrium of an industry in perfect competition. What is the relationship between two pairs of forces ? 5,5
2. (a) Differentiate between indifference curve approach and revealed preference approach towards demand analysis of consumer goods, by essential features. 10
(b) Explain the concept of consumer surplus and its significance. 10
3. Discuss price determination in the situation of monopolistic competition. 20
4. What are chief characteristics of public utilities ? Discuss the basic principles adopted in pricing its service. 10,10
5. Discuss the *Euler's* theorem, its assumptions and implications. 10,5,5
6. Discuss any one theory of macroeconomic distribution. 20

7. (a) Explain Kuznet's curve. 10
(b) Show the relationship between profits and economic progress. 10
8. How is Keynesian theory of employment different from Classical theory of employment ? How does it matter from policy angle ? 15,5
9. List out basic instruments of (a) Fiscal Policy and (b) Monetary Policy. When should each of these instruments be employed and why ? 5,5,10
10. Write short notes on any **two** of the following :
 - (a) Pareto conditions of optimality
 - (b) Essential elements of classical welfare economics
 - (c) Essential elements of neoclassical welfare economics
 - (d) Kaldor, Hicks and Scitovsky compensation principles. 10,10