

**CSM : 24**

**ECONOMICS PAPER - I**

Time Allowed : 3 hours

Maximum Marks : 100

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**QUESTION PAPER SPECIFIC INSTRUCTIONS**

*(Please read each of the following instruction carefully before attempting questions)*

There are eight (8) questions - four (4) questions each in Part A & B. Each question carries 20 marks.

Marks for each question is indicated against it.

Compulsory questions :

- (a) Question No. 1 from Part-A and
- (b) Question No. 5 from Part-B

*[Compulsory questions No. 1 & 5 have 4 (four) Sub-questions carrying 5 marks each.]*

Total No. of questions to be attempted :

5 (five) questions.

*[A candidate shall attempt 2 (two) compulsory questions from Part A and B. Out of the remaining 6 (six) questions, 3 (three) are to be attempted taking at least 1 (one) but not more than 2 (two) questions from each Part]*

Word Limit:

- (a) Compulsory questions carrying 5 marks shall have a limit of 150 words.
  - (b) There shall be no word limit for the remaining questions.
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**PART - A**

1. Elucidate the following: (4×5=20)
  - (a) Budget line
  - (b) Arrow's Impossibility Theorem
  - (c) Consumer Surplus
  - (d) Cardinal and ordinal utility measures
2. Examine the Social Welfare Function as suggested by A.K.Sen. What are its applicability for improving general social welfare in the economy? (15+5=20)
3. Differentiate between collusive and non-collusive oligopoly. Explain how the duopolist under Cournot model share the market and achieve stable equilibrium. (4+16=20)
4. Describe how expansionary fiscal policy affects the IS-LM model. How do changes in government spending or taxation influence the IS curve and equilibrium output? (10+10=20)

**PART - B**

5. Answers the following: (4×5=20)
  - (a) Incidence of taxation
  - (b) Public Expenditure
  - (c) Crowding out effects
  - (d) Terms of trade
6. Explain Comparative Advantage Theory. How far is it applicable in modern world? (15+5=20)
7. Explain the principle of intergenerational equity. Discuss the areas where it could be applied. (7+13=20)
8. Define Human Development Index. Discuss the different approaches of human development. (7+13=20)

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