

Model Paper**GOVERNMENT COLLEGE UNIVERSITY, FAISALABAD****QUESTION PAPER FOR EXTERNAL EXAMINATIONS**B.Com. Part 1st

Annual -2012

Roll No.

Course Code: **BC-303**Course Title: **Economics**

Time Allowed: 03:00 Hours

Maximum Marks: 100 Pass Marks: 40%

Note: Attempt any five questions. All questions carry equal marks.

- 1- Distinguish between Micro and Macro Economics and explain their importance.
- 2- Explain the law of Diminishing Marginal Utility with the help of a schedule and diagram.
- 3- Define Price Elasticity of Demand. Describe the methods to measure Price Elasticity of Demand.
- 4- Critically examine the Liquidity Preference Theory of Interest.
- 5- What is Monopolistic Competition? How is price and output determined under monopolistic Competition?
- 6- Define National Income. Point out the difficulties in its correct measurement.
- 7- Define Direct and Indirect Taxes. Give examples and examine their comparative advantages and disadvantages.
- 8- The total cost and total revenue function are given:
 - a) $TC = Q^2 + 8Q + 20$
 - b) $TR = 15Q - Q^2$
 - c) Find Marginal and Total cost of functions.
 - d) Find MR and AR at $Q=3$