

Economics

Attempt **FIVE** Questions in all, **Section-A** is **Compulsory**. Select **THREE** Questions from **Section-B**, and **ONE** from **Section-C**. All questions carry equal marks.

SECTION-A

1- Write short answers to any TEN of the following (avoiding un-necessary details):

2x10

- | | |
|-----------------------|-----------------------------------|
| i) Macro Economics | ii) Price Theory |
| iii) Economic Wants | iv) Law of Maximum Satisfaction |
| v) Budget Line | vi) Law of Decreasing Returns |
| vii) Oligopoly | viii) Nominal Wages |
| ix) Depreciation | x) Subsidies |
| xi) Progressive Tax | xii) Function |
| xiii) Personal Income | xiv) Speculative Demand for Money |

SECTION-B

2- Explain the Law of Marginal Diminishing Utility with the help of a schedule and a diagram.

20

3- Explain the Consumer's Equilibrium with Indifference Curves.

20

4- Define and explain Law of Increasing Returns with a schedule and a diagram.

20

5- Explain Short Run Equilibrium of the firm under Monopoly.

20

6- State and explain Marginal Productivity Theory of Distribution on what Grounds it has been criticized?

10,10

7- Define Zakat. Elaborate its role and importance.

5,15

SECTION-C

8- Given Demand Function and Supply Function:

10,10

$$Q_d = 20 - 5P$$

$$Q_s = -44 + 3P$$

Find

- | | |
|-----|----------------------|
| i) | Equilibrium Price |
| ii) | Equilibrium Quantity |

9- Given Total Cost Function:

6,6,8

$$C = Q^3 - 12Q^2 + 60Q$$

Find:

- | | |
|------|---|
| i) | Average Cost (AC) and Marginal Cost Functions |
| ii) | Slopes of AC and MC Functions. |
| iii) | At what values of Q, MC = AC |