Subject Code : Ba/Bc/ECO-H/GE1/DSC

Booklet No. **A**

Ba/Bc/ECO-H/GE1/DSC

2022

(CBCS)

(1st Semester)

ECONOMICS

Paper Code : ECO-H/GE1/DSC

(Principles of Microeconomics—I)

Full Marks : 75 *Pass Marks* : 40%

Time 3 hours

(PART : B—DESCRIPTIVE)

(*Marks* : 50)

The figures in the margin indicate full marks for the questions

Answer **five** questions, taking **one** from each Unit

UNIT—I

1. Define resources. Discuss the scope and methodology of economics. 3+7=10

2. Discuss the definition of economics by L. Robbins. 10

UNIT—II

3. What is supply? Discuss the law of supp with numerical and graphical illustrations. 2

4. Define elasticity of demand. Discuss th consumer's surplus with illustration. 2+

UNIT—III

5. What is indifference curve? Does the indifference curve possess properties? Discuss. 2+8

6. What is marginal utility? Explain marginal rate of substitution with example 2+8

UNIT—IV

7. Graphically explain the derivation of long-run average cost curve and long-run marginal cost curve. 5+5=

8. Define average fixed cost and total cost. Graphically discuss the relationship between average cost and marginal cost 2+2+6=

UNIT--V

9. What is oligopoly? Elucidate how firm attains equilibrium in short-run under perfect competition. 2+8=10

10. Discuss the features of monopolistic competition. Show how industry attains equilibrium in the long-run under perfect competition 4+6=10

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2022

(CBCS)

(1st Semester)

ECONOMICS

Paper Code : ECO-H/GE1/DSC

(Principles of Microeconomics—I)

(PART : A—OBJECTIVE)

(*Marks* : 25)

The figures in the margin indicate full marks for the questions

A. Put a Tick (✓) mark against the correct answer in the brackets provided : 1×10=10

1. The book, *Wealth of Nations* was written by

   (a) Alfred Marshall ( )

   (b) Lionel Robbins ( )

   (c) Adam Smith ( )

   (d) John Keynes ( )

2. The branch of modern economics which focuses on the ideological, perspective-based, opinion-oriented statements towards economic activities is known as

   (a) positive economics ( )

   (b) normative economics ( )

   (c) welfare economics ( )

   (d) None of the above ( )

3. Law of demand explains

   (a) the relationship between buyers and sellers ( )

   (b) the relationship between price and demand ( )

   (c) the relationship between demand and supply ( )

   (d) None of the above ( )

4. When the demand increases due to increase in the level of income

   (a) the demand curve shifts to the left ( )

   (b) the demand curve shifts to the right ( )

   (c) no shift in the demand curve ( )

   (d) All of the above ( )

5. Who said, "Utility is cardinally measured"?

   (a) Robbins ( )

   (b) Hicks ( )

   (c) Pigou ( )

   (d) Marshall ( )

6. In an indifference curve, the utility derived by consumption of the two goods is

   (a) constant ( )

   (b) variable ( )

   (c) Cannot be determined ( )

   (d) None of the above ( )

7. When MC is less than AC

   (a) AC rises with increase in output ( )

   (b) AC falls with increase in output ( )

   (c) AC falls with decrease in output ( )

   (d) AC falls parallel to that of MC ( )

8. Long-run average cost curve is also called as

   (a) planning curve ( )

   (b) flattening curve ( )

   (c) observing curve ( )

   (d) All of the above ( )

9. Under monopoly market, there is

   (a) free entry ( )

   (b) price uniformity ( )

   (c) price discrimination ( )

   (d) All of the above ( )

10. The competitor assumes that his rival will not react to his action.

    (a) Monopoly ( )

    (b) Duopoly ( )

    (c) Oligopoly ( )

    (d) Perfect competition ( )

B. Indicate whether the following statements are *True (T)* or *False (F)* by putting a Tick (✓) mark : 1×5=5

1. MC curve cuts AC curve from above.

   (*T* / *F*)

2. Two indifference curves never intersect each other.

   (*T* / *F*)

3. Long-run average cost curve is derived from short-run average cost curve.

   (*T* / *F*)

4. Economics is a study of managing resources.

   (*T* / *F*)

5. Alfred Marshall propounded duopoly model of market structure.

   (*T* / *F*)

C. Write short notes on any *five* of the following : $2 \times 5 = 10$

1. Monopoly market

2. Producer's surplus

3. Law of supply

4. Factors of production

5. Concept of cost

6. Utility

7. Relationship between AR and MR

8. Price elasticity of demand

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