

2023

(FYUGP)

(1st Semester)

ECONOMICS

(Minor)

Paper Code : EC1 M1

(**Introductory Microeconomics**)

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*

UNIT—I

1. (a) Define economics and explain the scope of economics. 1+9=10

Or

- (b) What is an economic system? Explain the different types of economic system. 2+8=10

UNIT—II

2. (a) State the law of demand. What are the factors that determine an individual demand? 2+8=10

Or

- (b) What is price elasticity of supply? State the different kinds of elasticity. 2+8=10

UNIT—III

3. (a) Define utility. Explain the ordinal utility theory. 1+9=10

Or

- (b) Explain the indifference curve analysis. 10

UNIT—IV

4. (a) Graphically explain the derivation of long-run average cost curves. 10

Or

- (b) Graphically explain the total cost, total fixed cost, total variable cost and their relationship. 10

UNIT—V

5. (a) Explain the features of perfect competition market. 10

Or

(b) What is monopoly market? Explain the price discrimination under the monopoly market. 2+8=10

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Roll No.

Regn. No.

Subject

Paper

DESCRIPTION

Booklet No.

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ECONOMICS

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Paper Code : EC1 M1

(Introductory Microeconomics)

(PART : A—OBJECTIVE)

(Marks : 25)

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A. Choose the correct answer and put a Tick (✓) mark against the brackets provided : 1×15=15

1. What is society's primary economic problem?

- (a) Unemployment ()
- (b) Inequality ()
- (c) Poverty ()
- (d) Scarcity ()

2. "Economics is the science which studies human behaviour as a relationship between ends and scarce means." This was given by

- (a) Adam Smith ()
- (b) Lionel Robbins ()
- (c) Alfred Marshall ()
- (d) Jevons ()

3. The demand curve is always

- (a) level ()
- (b) irregular ()
- (c) upward sloping ()
- (d) downward sloping ()

4. The law of demand is measured from the perspective of

- (a) consumer ()
- (b) shopkeeper ()
- (c) wholesaler ()
- (d) manufacturer ()

5. _____ leads to an increase in the supply of a commodity without a change in its price.

(a) Rise in supply ()

(b) Contraction in supply ()

(c) Expansion in supply ()

(d) Fall in supply ()

6. Which of the following is true about consumer behaviour?

(a) Consumer behaviour is the study of microeconomics ()

(b) Consumer behaviour is the study of macroeconomics ()

(c) Consumer behaviour is the study of income analysis ()

(d) None of the above ()

7. Who gave the cardinal concept of utility?

- (a) Marshall ()
- (b) Pigou ()
- (c) Hicks ()
- (d) Samuelson ()

8. Which of the following is a characteristic of utility?

- (a) Utility is a psychological phenomenon ()
- (b) Utility is a subjective phenomenon ()
- (c) Utility is a relative concept ()
- (d) All of the above ()

9. Utility is related to

- (a) usefulness ()
- (b) morality ()
- (c) satisfaction of human wants ()
- (d) All of the above ()

10. Money cost is also known as

- (a) accounting cost ()
- (b) business account ()
- (c) explicit cost ()
- (d) All of the above ()

11. Fixed cost is incurred on

- (a) variable factors ()
- (b) fixed factors ()
- (c) Both (a) and (b) ()
- (d) None of the above ()

12. Revenue is directly influenced by

- (a) price of the good ()
- (b) demand of the good ()
- (c) sales level ()
- (d) supply level ()

13. Under perfect competition, a business has to make different types of decisions, both for the short and long run. Which of the following is a short-run decision?

- (a) Whether to enter or exit an industry ()
- (b) The price to charge buyers for a product ()
- (c) Spending on advertising and sales promotion ()
- (d) The level of output that can maximize profit ()

14. If many sellers are selling an identical product, what is the implication of this scenario?

- (a) Significant losses for all the sellers ()
- (b) The market supply curve is horizontal ()
- (c) Chaos in the market ()
- (d) The sellers do not have the power to change the price of a product ()

15. In perfect competition, how the prices of goods and services are decided?

- (a) Demand and supply forces decide the prices of goods and services ()
- (b) The seller decides the prices of goods ()
- (c) Government influences the prices of goods ()
- (d) Buyers control the price level by influencing demand for the product ()

B. Answer briefly the following questions :

1. What is an economic problem?

(9)

2. State the law of supply.

((10))

8. A.3. State the marginal rate of substitution.

1. What is an economic good?

4. What is a short-run period?

5. Define a perfect competition market.
