Subject Code : Ba/Eco–101(N)

Booklet No. A

To be filled in by the Candidate

BA / BSc / BCom / BBA / BCA 1st Semester End Term Examination, **2020**

Subject ....

Paper ....

INSTRUCTIONS TO CANDIDATES

1. The Booklet No. of this script should be quoted in the answer script meant for descriptive type questions and vice versa.

2. This paper should be ANSWERED FIRST and submitted within <u>1 (one) Hour</u> of the commencement of the Examination.

3. While answering the questions of this booklet, any cutting, erasing, over-writing or furnishing more than one answer is prohibited. Any rough work, if required, should be done only on the main Answer Book. Instructions given in each question should be followed for answering that question only.

To be filled in by the Candidate

BA / BSc / BCom / BBA / BCA

1st Semester End Term Examination, **2020**

Roll No. ....

Regn. No. ....

Subject ....

Paper ....

DESCRIPTIVE TYPE

Booklet No. B ....

Signature of Scrutiniser(s)

Signature of Examiner(s)

Signature of Invigilator(s)

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(1st Semester)

ECONOMICS

Paper No. : ECO–101

(Microeconomics—I)

(New Course)

(PART : A—OBJECTIVE)

(*Marks* : 25)

The figures in the margin indicate full marks for the questions

SECTION—I

(*Marks* : 15)

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

1. According to _____ "economics is the science which studies human behaviour as relationship between ends and scarce means".

   (a) Adam Smith ( )

   (b) A. Marshall ( )

   (c) L. Robbins ( )

   (d) Samuelson ( )

(**2**)

2. The concept of ordinal utility was developed by

   (a) Hicks and Allen   (   )

   (b) Marshall   (   )

   (c) Bentham   (   )

   (d) Walras   (   )

3. _____ is the measure of responsiveness of demand for a commodity to the changes in the price of related goods.

   (a) Income elasticity of demand   (   )

   (b) Cross elasticity   (   )

   (c) Price elasticity   (   )

   (d) None of the above   (   )

4. Total utility is maximum when

   (a) marginal utility is negative   (   )

   (b) marginal utility is positive   (   )

   (c) marginal utility is zero   (   )

   (d) marginal utility lies between 0 and 1   (   )

5. When total product is maximum, which of the following holds?

   (a) $AP_L = MP_L$ (   )

   (b) $AP_L > MP_L$ (   )

   (c) $AP_L < MP_L$ (   )

   (d) None of the above   (   )

6. Isoquant is convex to origin due to

   (a) MRTS decreases at decreasing rate   (   )

   (b) MRTS decreases at increasing rate   (   )

   (c) MRTS   neither   decreases   nor   increases   (   )

   (d) MRTS along the isoquant   (   )

7. According to modern cost theory, the long-run average cost curve is of

   (a) L-shape   (   )

   (b) U-shape   (   )

   (c) sauce-shape   (   )

   (d) V-shape   (   )

8. Economies of scale in production arise from

    (a) increasing returns to scale   (   )

    (b) decreasing returns to scale   (   )

    (c) constant returns to scale   (   )

    (d) All of the above   (   )

9. Paretian concept of social welfare

    (a) avoids interpersonal comparisons of utility   (   )

    (b) includes interpersonal comparisons of utility   (   )

    (c) involves value judgement   (   )

    (d) None of the above   (   )

10. GNP criterion of measuring welfare was given by

    (a) Pareto   (   )

    (b) Hicks and Kaldor   (   )

    (c) Bentham   (   )

    (d) A. Smith   (   )

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

   1. Deductive reasoning is the process of making a
      logical argument by applying known facts.

                                        (T / F)

   2. Engel curve states the relationship between
      income and expenditure.

                                          (T / F)

   3. Law of variable proportion is applicable in the
      long run.

                                          (T / F)

   4. External economies are also known as
      'pecuniary economies'.

                                          (T / F)

   5. Pareto criterion can evaluate change that makes
      some individual better-off and others worse-off.

                                          (T / F)

SECTION—II

(*Marks* : 10)

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

1. Normative economics

2. Engel curve

3. Factor substitution

4. Consumer equilibrium

5. Production function

6. Scope of welfare economics

7. Ordinal utility

8. Elasticity of demand

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(1st Semester)

ECONOMICS

Paper No. : ECO–101

(Microeconomics—I)

(New Course)

Full Marks : 70   *Pass Marks* : 45%

Time : 3 hours

(PART : B—DESCRIPTIVE)

(*Marks* : 45)

The figures in the margin indicate full marks for the questions

UNIT—I

1. *(a)* What is economics? Discuss the Marshallian definition of economics. What are its limitations?   2+7=9

Or

(b) What is elasticity of supply? Explain the factors determining elasticity of supply.

3+6=9

(2)

2. *(a)* Critically discuss Marshallian concept of consumer surplus. 9

Or

(b) What is indifference curve? Explain the properties of indifference curve with the help of diagram. 2+7=9

UNIT—III

3. *(a)* What is short-run production function? Explain law of variable proportion with diagram. 3+6=9

Or

(b) What is meant by least combination of input in production? Explain how a producer achieves least combination of input. 3+6=9

UNIT—IV

4. *(a)* Explain how long-run average cost (LAC) is derived from short-run average costs (SACs) curves. 9

(Continued)

Or

(b) Explain the following concepts of cost with the help of diagram : 9

 (i) Average fixed cost (AFC)

 (ii) Average variable cost (AVC)

 (iii) Average total cost (ATC)

 (iv) Marginal cost (MC)

UNIT—V

5. (a) Distinguish between individual and social welfare. Discuss the role of value judgement in welfare economics. 4+5=9

Or

(b) Critically examine the basic conditions of Pareto optimality criterion. 9

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