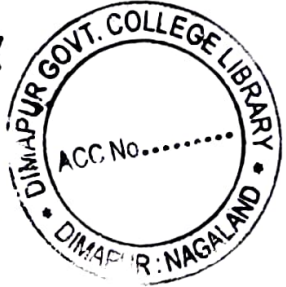


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Ba/Eco-101(N)

(2)

2020
(1st Semester)
ECONOMICS
Paper No. : ECO-101
(**Microeconomics-I**)
(New Course)

UNIT—II

- 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

Full Marks : 70 Pass Marks : 45%

Time : 3 hours

(PART : B—DESCRIPTIVE)
(Marks : 45)

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

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

UNIT—IV

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

(3)

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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Ba/Eco-101(N)

2020

(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 ()

(5)

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)