2025

(FYUGP)

(2nd Semester)

ECONOMICS

(IDC)

Paper No: IDC

(Elementary Micro Economics)

Pass Marks: 40%

Full Marks: 37.5

Time : 2 hours

(PART: B - DESCRIPTIVE)

(*Marks* : 25)

The questions are of equal value

Answer ***any five*** of the following question

1. Define Economics? Explain the scope of Economics. (5m)

2. Explain the central problem of an economy? (5m)

Or

Economics is both positive science and normative science – Discuss. (5m)

20L/100a

(Turn Over)

Signature of Scrutiniser(s)

3. What do you understand by demand? Describe the law of demand? Why does demand curve shapes down ward? (5m)

4. Define elasticity of supply. What are the different types of elasticity of supply? (5m)

5. What are the different types of market? Give the difference between market price and normal price. (5m)

6. Explain diagrammatically the determination of price equilibrium under perfect competition? (5m)

7. Define elasticity of demand. What is the difference between elastic and inelastic demand? (5m)

8. What are the characteristics of perfect competition? How does it choose its price and output? (5m)

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(PART : A — OBJECTIVE)

SECTION-I

(*Marks*: 12½)

The figures in the margin indicate full marks for the questions

A. Choose the correct answer and put a Tick (✓) mark against the brackets provided: ½ x 15 =7½

1. Economics is the study of human behavior as a relationship between ends and scarce means this was given by

(a) Adam Smith ( )

(b) Lionel Robbins ( )

(c) Alfred Marshall ( )

(d) Jevons ( )

2. The demand curve is always

   (a) Level ( )

   (b) Irregular ( )

   (c) Upward sloping ( )

   (d) downward sloping ( )

3. Price elasticity of demand in the degree of responsiveness to quantity demand of a good to a

   (a) Change in its price ( )

   (b) Change in income ( )

   (c) Change in both income & Price ( )

   (d) Change in Taste ( )

4. Supply is that a producer is willing and able to supply to the market at a given

   (a) Price in a given time period. ( )

   (b) In different time period ( )

   (c) for a flexible period ( )

   (d) none of the above ( )

5. Under perfect competition firms are in equilibrium in the long run when

   (a) P=SMC=SAC ( )

   (b) SMC=SAC=AR=MR ( )

   (c) LAC=LMC=AR=MR ( )

   (d) AR=MR but <MC>LAC ( )

6. Which is absent in perfect competition?
   (a) Large number of buyers & Sellers ( )
   (b) Free entry and free exit ( )
   (c) Perfect knowledge ( )
   (d) absence of collusion ( )

7. Concepts of elasticity of demand was introduced by
   (a) Adam Smith ( )
   (b) Keynes ( )
   (c) Marshall ( )
   (d) Robbins ( )

8. Under perfect competition the AR curve of the firm is
   (a) U shaped ( )
   (b) Vertical ( )
   (c) Horizontal ( )
   (d) Straight ( )

9. Market price refer to
   (a) Short period price ( )
   (b) Long period price ( )
   (c) All the above ( )
   (d) None of the above ( )

10. The profit of firm & maximum when its

(a) MR=MC ( )

(b) MR>MC ( )

(c) MR<MC ( )

(d) none of the above ( )

11. Economics problems arises due to

(a) Limited resources ( )

(b) Unlimited resources ( )

(c) due to increase in price ( )

(d) none of the above ( )

12. Elasticity of supply can be measured on the very same lines as we measured the

(a) Elasticity of demand ( )

(b) Elasticity of supply ( )

(c) Demand and supply ( )

(d) none of the above ( )

13. Under perfect competition the firms are producing

(a) Homogeneous product ( )

(b) Differentiated ( )

(c) Both Homogeneous and differentiated ( )

(d) None of the above ( )

14. Normal price is the price that exists in long run equilibrium between

(a) Supply ( )

(b) Demand ( )

(c) Demand and supply ( )

(d) None of the above ( )

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

(a) Consumer ( )

(b) Shop Keeper ( )

(c) Whole Seller ( )

(d) Manufacturer ( )

SECTION-II

1x 5=5

B. Give short answers **(any *five*)** :

1. Marshalls definition of economics

2. Market in economics sense

3. Equilibrium condition

4. Objectives of Economics

5. Scope of Economics

6. Economics and social science

7. Statue and dynamic economics

8. Cross elasticity of demand

9. Income elasticity of demand

10. Price elasticity of supply

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