2025

(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) Discuss the role of price mechanism in the allocation of resources in a market economy. 10

Or

(b) "Economics is both an art and a science." Evaluate the statement.

UNIT—II

2. *(a)* What is the law of supply? Discuss the factors determining supply. 2+8=10

Or

(b) What is price elasticity of demand? Discuss the different types of price elasticity of demand. 2+8=10

UNIT—III

3. *(a)* What is utility? Explain the measures of utility with the help of a schedule. 2+8=10

Or

(b) What are indifference curves? Give an account on the properties of an indifference curve. 2+8=10

UNIT—IV

4. *(a)* Explain why the LAC curve is U-shaped curve. 10

Or

(b) Explain the revenue curves under imperfect market.

UNIT—V

5. *(a)* What is perfect competition? Elucidate the features of perfect competition. 2+8=10

Or

(b) Discuss how a firm can attain equilibrium in the short run under perfect competition. 10

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Subject Code : Ba/EC1.M1

To be filled in by the Candidate

BA / BSc / BCom / BBA / BCA
1st Semester End Term
Examination, **2025 (FYUGP)**

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 1 (one) Hour 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.**

Signature of Scrutiniser(s)

Signature of Examiner(s)

Booklet No. A 1353

Date Stamp ....

....

To be filled in by the Candidate

BA / BSc / BCom / BBA / BCA
1st Semester End Term
Examination, **2025 (FYUGP)**

Roll No. ....

Regn. No. ....

Subject ....

Paper ....

DESCRIPTIVE TYPE

Booklet No. B ....

Signature of Invigilator(s)

/15

2025

(FYUGP)

(1st Semester)

ECONOMICS

(MINOR)

Paper Code : EC1.M1

(Introductory Microeconomics)

(PART : A—OBJECTIVE)

(*Marks* : 25)

The figures in the margin indicate full marks for the questions

Put a Tick (✓) mark against the correct answer in the brackets provided : 1×15=15

1. The central problem of an economy arises due to

(a) inflation ( )

(b) scarcity of resources ( )

(c) inequality ( )

(d) unemployment ( )

2. Who coined the terms 'microeconomics' and 'macroeconomics'?

(a) Adam Smith ( )

(b) Marshall ( )

(c) Robbins ( )

(d) Ragnar Frisch ( )

3. Which of the following is a normative statement?

(a) India's inflation rate is 5%. ( )

(b) Unemployment rate is rising. ( )

(c) The government should reduce taxes. ( )

(d) Exports are increased by 10% this year. ( )

4. Adam Smith defined Economics as the

(a) science of wealth ( )

(b) science of scarcity ( )

(c) science of welfare ( )

(d) science of growth and development ( )

5. A rightward shift in the demand curve indicates

(a) increase in demand ( )

(b) decrease in demand ( )

(c) expansion in demand ( )

(d) contraction in demand ( )

6. Producer surplus is the difference between

(a) price and marginal cost ( )

(b) total revenue and total cost ( )

(c) actual earnings and minimum supply price ( )

(d) price and average cost ( )

7. Cardinal utility is measured in terms of

(a) money ( )

(b) goods ( )

(c) prices ( )

(d) utils ( )

8. The law of diminishing marginal utility was given by

(a) Marshall ( )

(b) Jevons ( )

(c) Pareto ( )

(d) Robbins ( )

9. In the long run, all costs are

(a) fixed ( )

(b) variable ( )

(c) opportunity costs ( )

(d) marginal ( )

10. What is meant by 'equilibrium price'?

(a) The price at which demand exceeds supply ( )

(b) The price at which supply exceeds demand ( )

(c) The price at which demand equals supply ( )

(d) The highest possible market price ( )

11. Average cost is calculated as

(a) Total cost × Quantity ( )

(b) Total cost − Fixed cost ( )

(c) Total cost ÷ Quantity ( )

(d) Fixed cost ÷ Quantity ( )

12. Under perfect competition, a firm's revenue curves AR and MR are

(a) upward sloping ( )

(b) horizontal ( )

(c) vertical ( )

(d) U-shaped ( )

13. In monopolistic competition, products are

(a) perfect substitutes ( )

(b) homogeneous ( )

(c) differentiated ( )

(d) free goods ( )

14. Which of the following is not a feature of perfect competition?

(a) Homogeneous products ( )

(b) Free entry and exit ( )

(c) Single seller ( )

(d) Perfect knowledge ( )

15. Price discrimination is possible under

(a) perfect competition ( )

(b) monopoly ( )

(c) oligopoly ( )

(d) monopolistic competition ( )

Answer/Write on any *five* of the following : 2×5=10

1. Adam Smith's definition of Economics

2. Law of demand

3. Implicit and explicit costs

4. Total fixed cost and total variable cost

5. Distinguish between positive and normative economics.

6. Income inelasticity of demand

7. Opportunity cost

8. What are the features of oligopoly market?

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