

**MA ECONOMICS**  
**First Semester**  
**Micro Economic Analysis- 1**  
**(MEC-01)**

**Duration: 3Hrs.**

**Full Marks: 70**

**Part-A (Objective) =20**

**Part-B (Descriptive)=50**

**(PART-B: Descriptive)**

**Duration: 2 hrs. 40 mins.**

**Marks: 50**

**1. Answer the following questions- (any five)**

**2 × 5 =10**

- (a) Define Economics.
- (b) Give the definition of Demand given by Benham.
- (c) Define Law of Demand.
- (d) What is Indifference Curve?
- (e) What is Production?
- (f) Give the definition of Fixed cost.
- (g) What is Isoquant?

**2. Answer the following questions- (any five)**

**3 × 5 =15**

- (a) What is Economics Dynamics?
- (b) What do you mean by Price Elasticity of Demand?
- (c) Discuss any one property of Indifference Curve.
- (d) What is Opportunity Cost?
- (e) What is production function?
- (f) Draw a diagram explaining TFC, TVC and TC of a firm in a short run.
- (g) What do you mean by price Mechanism?

**3. Answer the following questions- (any five)**

**5 × 5 =25**

- (a) Economics is science of scarcity and science of choice. Explain.
- (b) Explain Consumer's Equilibrium with the help of Indifference Curve & Price Line.
- (c) State and explain clearly the Law of Diminishing Utility.

- (d) Explain Law of Variable Proportion.
- (e) Give diagrammatic representation of Consumer's Surplus.
- (f) Explain in brief three exceptions to the law of supply.
- (g) Write short note on (any *one*)
  - (i) Static Economics
  - (ii) Production possibility Curve.

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**MA ECONOMICS**  
**First Semester**  
**Micro Economic Analysis- I**  
**(MEC-01)**

*(The figures in the margin indicate full marks for the questions)*

**Duration: 20 minutes**

**Marks – 20**

**PART A- Objective Type**

**1. Choose the correct answer from the following options:  $1 \times 20 = 20$**

- i) Adam Smith advocated-----  
(a) Laissez faire  
(b) Division of labour  
(c) Both of these  
(d) None of these
- ii) Adam Smith's definition is ----- based.  
(a) Welfare  
(b) Wealth  
(c) Consumption  
(d) Income
- iii) Supply curve is the relation between supply and-----  
(a) Demand  
(b) Price  
(c) Factors of production  
(d) None of the above
- iv) Increase in supply takes place due to increase in-----  
(a) Price  
(b) Cost of production  
(c) Both of these  
(d) None
- v) Contraction of supply occurs because of -----  
(a) Decrease in cost of production  
(b) Decrease in price  
(c) Both of the above  
(d) None of the above
- vi) The book authored by Lionel Robbins "An Essay on the Nature and Significance of Economic Science" was published in-----  
(a) 1876  
(b) 1890  
(c) 1932  
(d) 1776

vii) Total utility of a quantity of a commodity is----- when the marginal utility is zero.

- (a) Maximum
- (b) Minimum
- (c) Optimum
- (d) Half

viii) ----- is want satisfying power of commodity.

- (a) Demand
- (b) Utility
- (c) Supply
- (d) Production

ix) Revealed Preference theory was propounded by-----

- (a) Adam Smith
- (b) Paul Samuelson
- (c) David Ricardo
- (d) Alfred Marshall

x) A distinguishing feature of Revealed Preference theory is that of ----- ordering .

- (a) Weak
- (b) Strong
- (c) Both
- (d) None

xi) The concept of consumer surplus was introduced by -----

- (a) Malthus
- (b) Ricardo
- (c) Alfred Marshall
- (d) Samuelson

xii) Marginal utility theory was given by-----

- (a) Keynes
- (b) Alfred Marshall
- (c) J.R. Hicks
- (d) Allen

xiii) The economist who popularized indifference curve approach is -----

- (a) Simon Kuznets
- (b) Paul Samuelson
- (c) J.R. Hicks
- (d) Sweezy

xiv) In case of Giffen goods, demand curve will slope-----

- (a) Upward
- (b) Downward
- (c) Horizontal
- (d) Vertical

xv) Indifference curve is always -----

- (a) Convex to the origin
- (b) Concave to the origin
- (c) L- shaped
- (d) Vertical line

xvi) Demand curve is related to -----

- (a) MU curve
- (b) Marginal revenue
- (c) Both
- (d) None

xvii) Increase in demand because of decrease in price is called-----

- (a) Extension
- (b) Increase
- (c) Contraction
- (d) Decrease

xviii) Demand for a product should have the following pre- requisite-----

- (a) Ability to buy
- (b) Willingness
- (c) Need
- (d) All of these

xix) The exceptions to law of demand are -----

- (a) Veblen goods
- (b) Giffen goods
- (c) Both
- (d) None

xx) Cost of sacrificed alternative is -----

- (a) Implicit cost
- (b) Opportunity cost
- (c) Marginal cost
- (d) Variable cost

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