

Seat No. : _____

JG-118

January-2021

B.A., Sem.-III

**CC-201 : Economics
(Principles of Economics-01)
(New Course)**

Time : 2 Hours]

[Max. Marks : 50

Instruction : Figures **right** to indicate marks.

Section – I

Answer the following questions (any **three**) :

1. Explain the law of demand with help of utility analysis. **14**
2. Discuss the characteristics of indifference curve. **14**
3. Explain the consumer's equilibrium with help of indifference curve and price line. **14**
4. Explain the changes of price line on places and slope. **14**
5. Give the meaning of price elasticity of demand and explain the factor affecting on price elasticity. **14**
6. Discuss the types of income elasticity of demand. **14**
7. Give the meaning of Production function and discuss the characteristics of production function. **14**
8. Explain the law of variable proportion. **14**

Section – II

9. Answer the following Multiple Choice Questions : (Any **Four**)

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- (1) At the consumer equilibrium point, indifference curve and budget line _____ each other.
- (a) cut (b) touch
(c) separate (d) None of these
- (2) Indifference curve indicated consumer's _____.
- (a) Income (b) Choice
(c) Limitation (d) Price
- (3) Marginal substitute rate is always _____.
- (a) Positive (b) Negative
(c) Parallel to X-axis (d) Parallel to Y-axis
- (4) Income Elasticity of Demand for an inferior goods are _____.
- (a) Positive (b) Negative
(c) Zero (d) Infinity
- (5) Which line is Horizontal ?
- (a) Perfectly elastic demand (b) Perfectly inelastic demand
(c) Unitary elastic demand (d) Elastic demand
- (6) Marginal production mean _____.
- (a) Production of first unit (b) Production of last unit
(c) Production of additional unit (d) Production of middle unit
- (7) In which stage of the law of variable proportions the marginal product become negative ?
- (a) first (b) second
(c) third (d) None
- (8) Who introduced the law of diminishing production ?
- (a) Marshall (b) Chamberline
(c) Robinson (d) Pigou