

**SURENDRANATH COLLEGE**

INTERNAL ASSESSMENT

SEMESTER-1, 2018-19

SUBJECT- ECOA

CC-1

Time- 30 minutes

Full Marks- 10

<b>CU Reg. No.-</b>	<b>SECTION-</b>	<b>ROLL NO.-</b>
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<b>MARKS OBTAINED</b>	Signature of Examiner- With date
<b>MARKS CONVERTED TO 10</b>	Approved by HOD- With date

**Question Booklet****GROUP A**

<b>Q No.</b>	<b>Question: Answer any 4 questions</b>	<b>Marks</b>
<b>1.</b>	<p>a) Movement along any demand curve shows:</p> <ol style="list-style-type: none"> <li>1. Change in demand</li> <li>2. Change in quantity demanded</li> <li>3. Contraction in demand</li> <li>4. All of them</li> </ol> <p>b) A steeper demand curve implies:</p> <ol style="list-style-type: none"> <li>1. Relatively elastic demand</li> <li>2. Relatively inelastic demand</li> <li>3. Completely elastic demand</li> <li>4. None of them</li> </ol> <p>f) Microeconomics is also known as</p> <ol style="list-style-type: none"> <li>1. Price theory</li> <li>2. Income theory</li> <li>3. Monetary theory</li> <li>4. Unemployment theory</li> </ol> <p>g) Convexity of indifference curve refers to</p> <ol style="list-style-type: none"> <li>i. Diminishing slope of indifference curve</li> <li>ii. Diminishing rate of substitution</li> <li>iii. Diminishing marginal utility</li> <li>iv. Increasing rate of substitution</li> </ol>	<b>(4X1 =4)</b>

	<p>h) For lexicographic ordering which of the following assumption fails?</p> <ul style="list-style-type: none"> <li>i. Transitivity</li> <li>ii. Reflexivity</li> <li>iii. Completeness</li> <li>iv. Non satiety</li> </ul>	
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**GROUP B**

<i>Q No.</i>	<i>Question: Answer any 2 questions (2 X 3 = 6)</i>	<i>Marks</i>
2.(a)	<p>A machine can produce either 4,000 backpacks or 2,000 bicycles in a month.</p> <p>1. Draw the production possibilities frontier for an economy with ten machines. What is the opportunity cost of backpacks?</p>	2+1
2.(b)	<p>An increase in the demand for a computer game raises the quantity sold by 50%. If the elasticity of supply is 5, what happens to the price?</p>	3
2.(c)	<p>Logically explain the equilibrium of a consumer using diagram. What if <math>\frac{MU_x}{MU_y} \neq \frac{P_x}{P_y}</math> ?</p>	3



