

Khudiram Bose Central College
B.Com. (Honours & General) Semester-I (Internal) Examination – 2020 (Under CBCS)

Subject: Microeconomics – I (GE 1.1 Chg – Module – I)

Date of Examination: 03-03-2021

Time of Examination- 1:00 pm – 1:30 pm

Answer **any 5 questions** out of the following by choosing the right option from the four options given below each question. **Choose only one option as your answer.** Each question carries 1 mark. [Full marks: 1*5 = 5]

1. Which of the following is **not related** to exceptions to the law of demand?
 - a. Giffen Goods
 - b. Normal Goods
 - c. Veblen Goods
 - d. Demand during emergencies

2. What would be the value of marginal utility when total utility is at its **maximum**?
 - a. Infinity
 - b. 1
 - c. 0
 - d. -1

3. Considering the usual assumptions of Ordinal utility analysis, which of the following would **not** be a property of an indifference curve:
 - a. It is always upward sloping
 - b. It is convex to the origin
 - c. It cannot intersect another indifference curve
 - d. A higher indifference curve represents higher level of utility

4. As per the law of variable proportions, when Average Product (AP) is at its **maximum**:
 - a. Marginal Product will be greater than Average Product
 - b. Marginal Product will be less than Average Product
 - c. Marginal Product will be either less than or greater than Average Product
 - d. Marginal Product will be equal to the Average Product

5. The **Average Fixed Cost (AFC)** curve of a firm will be:
 - a. Vertical
 - b. Rectangular Hyperbola
 - c. Horizontal
 - d. L-shaped

6. For short-run equilibrium of a perfectly competitive firm,
 - a. Marginal Revenue must be equal to the Marginal Cost
 - b. Marginal Revenue must be greater than the Marginal Cost
 - c. Marginal Revenue must be less than the Marginal Cost
 - d. Marginal Revenue must not be equal to Marginal Cost
