

ECONOMICS - I

AtArani Law Academy

OLD SYLLABUS

Microeconomics

- Introduction:
 - a. Definition of Economics, Microeconomics vs. Macro Economics.
 - b. Basic Concepts: Utility, Goods, Wealth, Value and Price, Wants, Welfare.
- Economic System:
 - a. Capitalist.
 - b. Socialist.
 - c. Mixed economy
- Demand:
 - a. Law of Demand, movement and shift of the demand curve.
 - b. Elasticity of Demand: types, factors, measurement, importance.
 - c. Law of Diminishing Marginal Utility.
- Supply:
 - a. Law of Supply, Determinants and Elasticity of Supply.
 - b. Market Equilibrium.
- Production Analysis:
 - a. Traditional approach.
 - b. Production Function, short run, and long run.
 - c. Law of variable Proportions.
 - d. Law of Returns to Scale.
- Cost analysis:

- a. Cost function.
- b. Different concepts of Costs.
- c. Shapes of short run Cost curves.
- d. Relationship between Average Cost and Marginal Cost.
- e. Long run Average Cost curves.
- **Market Structures and Revenue Concepts:**
 - a. Market Morphology.
 - b. Revenue Curves under different market forms.
 - c. Perfect Competition: short run and long run equilibrium of a competitive firm.
- **Price and Output Determination under Imperfect Competition:**
 - 1. Monopoly: Short run and long run equilibrium under monopoly, price discrimination.
 - 2. Monopolistic competition: Short run and long run equilibrium under Monopolistic Competition.
- **Theory of Distribution – Rent and Wages:**
 - 1. Marginal Productivity Theory of Distribution.
 - 2. Rent: Ricardian Theory, Quasi rent, Rent element in other factor incomes.
 - 3. Wages: Money Wages/Real Wages, Labour Supply Curve, Marginal Productivity
 - 4. Theory of Wages.
- **Factor Pricing – Interest and Profit:**
 - a. Interest: Gross Interest/Net Interest. Liquidity Preference Theory of Interest



ECONOMICS III NEW SYLLABUS

1.Basic Concepts: Relevance of Economics in Law; Different branches of Economics, Basic Economic Problems, Economic systems, Price, Value, welfare, wealth, Scarcity, choice, Opportunity Cost, PPF

2.How markets work: Law of demand, Law of supply, Demand elasticity, supply elasticity, Market Equilibrium, Consumer Surplus, Producer Surplus.

3.Introduction to consumer Behaviour: Total Utility, Marginal Utility, Law of Diminishing Marginal Utility, Law of equimarginal Utility, Indifference Curve and its properties, Budget line, Consumer equilibrium.

4.Production: Inputs and Output, Average productivity of Factors, Marginal Productivity of Factors, Law of Diminishing Marginal Productivity, Three Stages of Production (short run and long run), Cost, Revenue.

5.National Income: Closed and Open Economy, National Income and its different concepts, Real versus Nominal GDP, Price indices, Circular Flow of Income, National Income as an Index of welfare.

6.Introduction of Classical and Keynesian Economics: Say's law, Simple Keynesian Model.

7.Money: Money and its Functions, Quantity Theory of Money, Inflation and Deflation, Types and Causes of Inflation, Anti-inflationary measures.

8.Banking: Central Bank and its Functions, Commercial Banks and its Functions, Credit creation, Credit Control measures, Non-Banking Financial Intermediaries.





PREVIOUS YEAR QUESTION PAPERS

FULL MARKS: 80

2024 | ECONOMICS I

Answer any five questions.

1. Discuss the characteristic features of Mixed economy. Distinguish between Capitalistic Economy and Socialistic Economy. (8+8)
2. State and explain the Law of Demand. What is Price Elasticity of Demand? Discuss the factors affecting Price Elasticity of Demand. (6+4+6)
3. Explain the concept of utility and marginal utility. Diagrammatically explain the law of Diminishing Marginal Utility. (6+10)
4. Distinguish between Fixed Cost and Variable Cost. Why are average curves U-shaped? Explain the relationship between Average Cost and Marginal Cost. (4+6+6)
5. State the Law of Supply. Why does the Supply Curve slope upward from left to right? Explain the factors that affect supply. (4+4+8)
6. State and explain the Law of Variable Proportions. Mention the difference between the Law of Variable Proportions and the Law of Returns to Scale. (6+10)
7. Distinguish between Gross Interest and Net Interest. Explain the Liquidity preference Theory of Interest. (6+10)
8. What are the features of Perfect Competition? Explain the short run equilibrium of a perfectly competitive firm. (6+10)
9. Distinguish between Rent and Quasi-rent. Critically explain Ricardo's Theory of Rent. (6+10)
10. Write short notes on any two: 8x2
 - (a) Change in quantity demanded and Change in demand
 - (b) Gross Profit and Net Profit
 - (c) Micro-economics vs. Macroeconomics
 - (d) Cross Elasticity of Demand
 - (e) Features of Monopoly Market.





2023 | ECONOMICS I

Answer any five questions.

1. Critically discuss Marshal's definition of Economics. Differentiate between welfare and scarcity definitions of Economics. (10+6)
2. State the Law of Demand. What do you mean by price elasticity of demand? Explain the different kinds of price elasticity of demand, diagrams. (3+3+10)
3. What is monopoly? How does the monopolist achieve equilibrium in the long run? What are its limitations? (3+10+3)
4. State and explain the Law of Variable Proportions. Mention the differences between the Law of Variable Proportions and the Law of Returns to scale. (12+4)
5. Explain the Law of Supply. When does the supply curve take a backward bend? (4+8+4)
6. Distinguish between Fixed Cost and Variable Cost. Why are short run average cost curves U-shaped? Explain Total Cost. (6+6+4)
7. Differentiate between money wages and real wages. Productivity theory of Wages. (4+12)
8. Define Rent. Critically explain Ricardo's Marginal and Ricardian Theory of Rent. Show that rent element exists in other factor elements also. (2+10+4)
9. Differentiate between economic profit and accounting profit. Give arguments in favor of and against profit maximization objective of a business firm.
10. Write short notes (any two): (8×2)
 - (a) Features of Capitalist Economy.
 - (b) Change in quantity demanded and change in demand.
 - (c) Economics of Scale.
 - (d) Net Interest and Gross Interest.



2022 | ECONOMICS I

Answer any five questions.

1. Which definition of Economics is best according to you? Give reason in support of your answer. Differentiate between Microeconomics and Macroeconomics. (12+4)
2. What is Mixed Economy? Discuss the characteristic features of Mixed Economy. Distinguish between Capitalist Economy and Socialist Economy. (4+6+6)
3. State and Explain the Law of Demand. What is Price Elasticity of Demand? Discuss the factors affecting Price Elasticity of Demand. (6+4+6)
4. State and explain the Law of Variable Proportions. Distinguish between Law of Variable Proportion and Law of Returns to Scale. (10+6)
5. Distinguish between Explicit and Implicit cost. Why is Short Run Average cost curves of a firm are U-shaped? Explain the relationship between Average cost and Marginal cost. 4+6+6
6. What are the features of Perfect competition? Explain the Short-run equilibrium of a perfectly competitive firm. 6+10
7. Explain the shape of Labour Supply Curve. Critically discuss the Marginal Productivity Theory of Wages. 6+10
8. Distinguish between Gross Interest and Net Interest. Explain the Liquidity Preference Theory of Interest. 6+10
9. Discuss Rent. Distinguish between Rent and Quasi-Rent. Critically explain Ricardian Theory of Rent. 6+10
10. Write short notes on any two: 8x2
 - (a) Price Discrimination
 - (b) Giffen Paradox
 - (c) Collective Bargaining
 - (d) Market Equilibrium



2021 | ECONOMICS I

Answer any five questions.

1. State and explain the law of demand. What is price elasticity of demand? Discuss the factors affecting price elasticity of demand.4+4+8
2. Critically explain Robbins' definition of Economics. Also distinguish between wealth and welfare definition.10+6
3. Distinguish between law of variable proportions and law of returns to scale. Also state and explain the law of variable proportions.6+10
4. Explain the shape of Average Cost curves. Prove that marginal cost depends only on variable cost. Explain the interrelationship between MC and AVC.6+4+6
5. Distinguish between money wages and real wages. Discuss the Marginal Productivity Theory of Wages.4+12
6. Define Rent. Distinguish between Rent and Quasi-rent. Critically explain Ricardo's Theory of Rent. 2+4+10
7. Distinguish between Gross Interest and Net Interest. Briefly discuss the Liquidity Preference Theory of Interest.6+10
8. What are the features of perfect competition? Explain the short run equilibrium of a perfectly competitive firm.6+10
9. Distinguish between economic profit and accounting profit. Also discuss the arguments in favour of and against profit maximization objective.8+8
10. Write short notes on any two of the following: 8x2
 - (a) Factors affecting supply of a commodity
 - (b) Distinguish between Fixed Cost and Variable Cost and also between Explicit Cost and Implicit Cost
 - (c) Price Discrimination
 - (d) Collective Bargaining
 - (e) Features of Capitalist economy





2020 | ECONOMICS I

Answer any five questions

1. Define Socialism. What are the basic problems of a socialist economy? Discuss how they differ from those of capitalist economy. 2+6+8
2. Distinguish between change in quantity demanded and change in demand. What do you mean by price elasticity of demand? State the determinants of price elasticity of demand. 6+4+6
3. State the Law of Supply. What are the reasons behind the upward slope of the supply curve? Discuss the Law of Price determination. 4+6+6
4. Distinguish between marginal cost and average cost. Why are short run average cost curves U-shaped? Show the interrelationship between MC and AC. 6+6+4
5. State and explain the Law of Variable Proportion and the Law of Returns to Scale. Mention the difference between the two. 10+6
6. What are the features of Monopoly? How does a monopolist achieve equilibrium in the long run? 6+10
7. Critically discuss the Ricardian Theory of Rent. Show that rent element exists in all factor incomes. 10+6
8. Distinguish between Gross Interest and Net Interest. Critically discuss the Liquidity Preference Theory of Interest. 6+10
9. Differentiate between accounting profit and economic profit. Give arguments in favour of and against profit maximisation objective of a business firm. 6+10
10. Write short notes on any two:8x2
 - (a) Microeconomics vs. Macroeconomics
 - (b) Market equilibrium
 - (c) Economies of scale
 - (d) Degrees of price discrimination



2019 | ECONOMICS I

Answer any five questions

1. State and explain the different definitions of Economics. Compare welfare definition with scarcity definition.40
2. What do you mean by price elasticity of demand? Explain the different kinds of price elasticity of demand with the help of figures. Discuss the factors of price elasticity of demand.40
3. State the law of supply. What are its exceptions? Why does the supply curve slope upward from left to right?40
4. State and explain the law of Variable Proportions. Distinguish between Law of Variable Proportions and Law of Returns to Scale. 40
5. What are the characteristic features of perfect competition? Explain the short-run equilibrium of a perfectly competitive firm.40
6. Differentiate between fixed cost and variable cost. Show the relationship between average cost and marginal cost. Why are short run average cost curves U-shaped?40
7. Critically discuss the Ricardian Theory of Rent. When does quasi-rent arise? 40
8. Distinguish between Money wages and Real wages. Discuss the Marginal Productivity Theory of Wages. 40
9. Discuss the Liquidity Preference Theory of Interest. State the causes of difference in the rate of interest. 40
10. Write short notes on any two of the following: 20×2
 - a. Giffen Paradox
 - b. Features of a socialist economy
 - c. Limits of the monopolist
 - d. Profit maximisation as a business objective.





2018 | ECONOMICS I

Answer any five questions

1. Critically explain Robbin's definition of Economics.
Distinguish between wealth and welfare definition.(8+8)
2. What is mixed economy? Discuss the characteristic features of mixed economy.(4+6+6)
3. Distinguish between capitalist economy and socialist economy. What is price elasticity of demand? Discuss the factors affecting price elasticity of demand.16
4. Distinguish between law of variable proportions and law of returns to scale. Also state and explain the law of variable proportions.(6+10)
5. Discuss the features of monopoly market. Explain the short run equilibrium of a Monopoly firm.(6+10)
6. Distinguish between explicit cost and implicit cost. Why is short run average cost curve of a firm shaped? Explain the relationship between average cost and marginal cost.(4+6+6)
7. Critically discuss the marginal productivity theory of wages. Illustrate the peculiarity of the labour supply curve.(10+6)
8. Define interest, explain the difference between gross interest and net interest, briefly discuss the liquidity preference theory of interest.(2+6+8)
9. Differentiate between accounting profit and economic profit. What arguments are given in favour and against profit maximisation objective of a business firm?(6+10)
10. Write short notes on any two of the following:8x2
 - a. Cross elasticity of demand
 - b. Features of perfect competition
 - c. Price discrimination
 - d. Rent element in other factor incomes





2017 | ECONOMICS I

Answer any five questions

1. State and explain critically different definitions of economics. What is the basic difference between value and price? 12+4
2. What is Capitalistic economy? What are the characteristic features of capitalistic economy? Differentiate between capitalistic and socialistic economy. (2+8+6)
3. Distinguish between change in quantity demanded and change in demand. Show that the value of price elasticity varies from one point to another point on straight line demand curve. What are the factors affecting price elasticity of demand? (4+6+6)
4. State and Explain the law of variable proportions and the laws of returns to scale. (10+6)
5. Distinguish between marginal cost, variable cost, and average fixed cost curves. Prove the marginal cost depends only on variable cost. Explain the interrelationship between MC and AC. Equilibrium of a perfectly competitive firm. Productivity Theory of wages. (6+4+6)
6. What are the features of perfect competition? Explain the short run equilibrium of a perfectly competitive firm. (6+10)
7. Explain the shape of labour supply curve. Critically discuss the Marginal Productivity Theory of wages. (6+10)
8. Distinguish between Gross interest and Net interest briefly discuss the liquidity preference theory of interest. (6+10)
9. Define Rent. Distinguish between Rent and Quasi-rent. Critically explain Ricardo's Theory of Rent. (2+4+10)
10. Write short notes on any two:8x2
 - a. Microeconomics vs. Macroeconomics
 - b. Factors affecting supply of a commodity
 - c. Collective Bargaining
 - d. Price Discrimination





2016 | ECONOMICS I

Answer any five questions

1. Critically explain Robbins' definition of Economics.
Distinguish between wealth and welfare definition. (8+8)
2. What is mixed economy? Discuss the characteristic features of mixed economy. Distinguish between capitalist economy and socialist economy. 4+6+6
3. State and explain the law of demand. What is price elasticity of demand? Discuss the factors affecting price elasticity of demand. (16)
4. Distinguish between law of variable proportions and law of return to scale. Also state and explain the law of variable proportions.
5. Distinguish between explicit cost and implicit cost. Why is short run average cost curve of a firm shaped? Explain the relationship between average cost and marginal cost. (4+6+6)
6. Discuss the features of monopoly market. Explain the short run equilibrium of a Monopoly firm.
7. Critically discuss the marginal productivity theory of wages. Illustrate the peculiarity of the labour supply curve with diagram. (10+6)
8. Define interest, explain the difference between gross interest and net interest, briefly explain the liquidity preference theory of interest. (2+6+8)
9. Differentiate between accounting profit and economic profit. What arguments are given in favour and against profit maximization objective of a business firm? (6+10)
10. Write short notes on any two of the following: 8x2
 - a. Features of perfect competition
 - b. Cross elasticity of demand
 - c. Price determination
 - d. Rent element in other factor incomes



2015 | ECONOMICS I

Answer any five questions

1. Define Socialism. What is the characteristic feature of a Socialist Economy? Distinguish between Socialist Economy and Capitalist Economy. (2+6+8)
2. Demand with figures. Discuss the difference kinds of Price Elasticity of Demand. Discuss the factors affecting Price Elasticity of Demand. (3+5+8)
3. Explain the Law of Variable Proportions and Law of Returns to Scale. (10+6)
4. Distinguish between Fixed Cost and Variable Cost. Why are average curves U-shaped? Explain the Law of Supply. Why does the Supply Curve slope upward from left to right?(6+4+6)
5. Explain the factor that affect supply of a perfectly competitive firm. Productivity Theory of Wages. Discuss the role of Trade Union in Raising wages. (6+10)
6. What are the features of Perfect Competition? Explain the short run equilibrium of a perfectly competitive firm. (6+10)
7. Critically discuss the Marginal Productivity Theory of Wages. Discuss the role of Trade Union in Raising wages. (10+6)
8. What is Quasi-Rent? Discuss the Ricardian Theory of Rent. (10+6)
9. Distinguish between Gross Interest and Net Interest. Explain the Liquidity Preference Theory of Interest. (6+10)
10. Distinguish between any two pairs: 8x2
 - (a) Microeconomics and Macroeconomics
 - (b) Change in quantity demanded and change in demand
 - (c) Short run and Long run production function
 - (d) Gross Profit and Net Profit

