TDC Odd Semester Exam., 2020
held in July, 2021

ECONOMICS

(Honours)

(**1st Semester**)

Course No. : ECOH–101

(**Microeconomics**)

Full Marks : 50
Pass Marks : 17

Time : 2 hours

The figures in the margin indicate full marks
for the questions

Answer **five** questions, selecting **one** from each Unit

UNIT—I

1. What do you mean by central problem of an economy? In this connection, explain briefly the basic problem of choice. 3+7=10

2. *(a)* What is equilibrium?

   (b) Explain the concepts of static and dynamic equilibrium. 2+4+4=10

(2)

UNIT—II

3. *(a)* What is market equilibrium?

   (b) Explain the impact of changes in demand and supply on market equilibrium. 4+6=10

4. *(a)* Explain the concept of cross-elasticity of demand.

   (b) Briefly explain with the help of diagram the nature of cross-elasticity in case of substitute goods. 4+6=10

UNIT—III

5. *(a)* What is indifference map?

   (b) What are the assumptions of indifference curve?

   (c) Explain the properties of indifference curve. 2+2+6=10

6. Write short notes on the following : 5+5=10

   (a) Income effect

   (b) Price effect

(**3**)

UNIT—IV

7. *(a)* Define production function.

(b) Explain production function with single variable input. 3+7=10

8. Write short notes on the following : 5+5=10

(a) Returns to scale

(b) Producer's equilibrium

UNIT—V

9. Derive long-run total cost curve from production function. 10

10. Why is short-run average cost curve U-shaped? Explain. 10

★ ★ ★