

TDC Odd Semester Exam., 2018

ECONOMICS

(Honours)

(1st Semester)

Course No. : ECOH-101

(Microeconomics—I)



Full Marks : 50

Pass Marks : 17

Time : 2 hours

The figures in the margin indicate full marks for the questions

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

UNIT—I

1. Discuss the view that the study of Economics has both positive and normative aspects. 10
2. (a) What are the basic problems of an economy? Discuss. 6
- (b) Distinguish between static equilibrium and dynamic equilibrium. 4

(2) UNIT—II

3. (a) Explain the concept of demand function and market demand function.

(b) Is there any differences between individual demand function and market demand function? Discuss.

4. What is price elasticity of demand? Explain briefly different methods of measuring price elasticity of demand. 2+8

UNIT—III

5. (a) What do you mean by budget constraint of the consumer?

(b) What is consumer equilibrium? Explain how consumer equilibrium is attained with the help of indifference curve. 2+5

6. (a) What do you mean by price effect and income effect? 2+2

(b) Separate the price effect into income effect and substitution effect with Hicksian concept.

(3)

UNIT—IV



7. (a) What do you mean by production function? 2

(b) What is isoquant? 2

(c) Depending on the degree of substitutability of factors, what are different shapes of isoquant? Explain diagrammatically. 6

8. (a) What is expansion path? 3

(b) Explain how producer's equilibrium is attained. 7

UNIT—V

9. (a) Draw total fixed cost and total variable cost curve. 2

(b) What is the relationship between (i) ATC and AVC, and (ii) MC and ATC? Explain. 4+4=8

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

(a) Cobb-Douglas production function

(b) CES production function

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