

TDC (CBCS) Odd Semester Exam., 2023

ECONOMICS

(1st Semester)

Course No. : ECODSC/GE-101T

(Principles of Microeconomics—I)

Full Marks : 70

Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

SECTION—A

Answer *twenty* questions, selecting *four* from each

Unit as directed :

1×20=20

UNIT—I

1. Define demand.

2. What is economic system?

(2)

3. What is scarcity?
4. Draw the diagram for perfectly elastic demand curve.
5. "There is inverse relationship between price and quantity supplied."

(Write True or False)

UNIT—II

6. What is utility?
7. Define budget constraint.
8. What is substitution effect?
9. Define consumer's surplus.
10. What is the value of MU when TU is maximum?

UNIT—III

11. What is variable cost?
12. Give one example of fixed cost.
13. What is total cost?

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(Continued)

(3)

14. Give an example of marginal cost.
15. Draw the short-run average cost curve.

UNIT—IV

16. What is production function?
17. "An isoquant lying above and to the right of another represents a higher output level."
(Write True or False)
18. What is isocost curve?
19. Define producer's surplus.
20. Mention the relation between average product and marginal product.

UNIT—V

21. What is perfect competition?
22. Draw the demand curve for perfectly competitive market.

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(Turn Over)

(4)

23. What is the condition of equilibrium under perfect competition?
24. What is pure competition?
25. Define industry.

SECTION—B

Answer *five* questions, selecting *one* from each
Unit : $2 \times 5 = 10$

UNIT—I

26. What is price elasticity of demand? State one determinant of price elasticity.
27. State the law of supply.

UNIT—II

28. State the law of diminishing marginal utility.
29. Distinguish between cardinal utility and ordinal utility.

UNIT—III

30. What do you mean by economies and diseconomies of scale?
31. Define opportunity cost.

(5)

UNIT—IV

32. Write two properties of isoquant.
33. Write any two differences between isoquants and indifference curves.

UNIT—V

34. Mention two conditions of perfect competition.
35. Distinguish between short run and long run.

SECTION—C

Answer *five* questions, selecting *one* from each
Unit : $8 \times 5 = 40$

UNIT—I

36. State and explain the law of demand. What are the determinants of demand? Mention one exception of the law of demand. $4+3+1=8$
37. What do you mean by movement along the demand curve and shift of demand curve? Explain with diagrams. $4+4=8$

(6)

UNIT—II

38. What is indifference curve? Explain the properties of indifference curve with the help of a diagram. 2+6=8
39. Explain the derivation of the demand curve with the help of indifference curve. 8

UNIT—III

40. Explain why long-run average cost curve is flatter than the short-run average cost curve. 8
41. Define average revenue and marginal revenue. Explain the relationship between AR, MR and elasticity. 2+2+4=8

UNIT—IV

42. Explain the law of variable proportion with the help of a diagram. 8
43. Explain how a producer achieves an optimum or a least cost combination of factor of production. 8

(7)

UNIT—V

44. Explain, with the help of a diagram, how a firm under perfect competition attains equilibrium in the short run. 8
45. Explain, with the help of a diagram, the short-run equilibrium of the industry under perfect competition. 8
