2021
ECONOMICS
[HONOURS]
(CBCS)
(B.A. First SemesterEnd Examinations-2021)
PAPER-GE1T
(Introductory Micro Economics)

Full Marks: 60   *Time: 03 Hrs*

The figures in the right hand margin indicate marks
Candidates are required to give their answers in their own words as far as practicable
Illustrate the answers wherever necessary

Group-A

1. **Answer any ten questions from the questions below:**

   10x2= 20

   a) What is the meaning of the term scarcity in economics?

   b) Define Micro Economics and Macro Economics.

   c) Define inferior goods and Giffen goods.

   d) What do you mean by law of demand?

   e) What is marginal rate of substitution (MRS)?

   f) What will be the shape of the indifference curve if the two goods are perfectly complementary to each other?

   g) Define indifference map.

   h) Write two important features of perfect competition.

i) How is the degree of monopoly power measured?

j) What is Economics?

k) What are property rights?

l) What is budget constraint?

m) What is cross elasticity of demand?

n) What are the factors on which elasticity depends?

Group-B

Answer any four of the following questions: **4x5 = 20**

2) Distinguish between point elasticity and arc elasticity.

3) Explain the nature and scope of Economics.

4) Distinguish between shift of the budget line and change in slope of the budgetline.

5) Graphically explain price consumption curve and income consumption curve.

6) Show Hicks decomposition of Price effect into substitution effect and income effect.

7) Draw the demand curve in the following cases.

i)   Demand is perfectly inelastic.

ii)   Demand is of unit elasticity.

8) Graphically explain break-even point and shut-down point of a competitive firm.

Group -C

Answer any twoof the following questions: **10x2 = 20**

9) Distinguish between elastic and inelastic demand with suitable examples.

   Distinguish between "change in demand" and " change in the quantity demanded"   5+5

10) Distinguish between perfect competition and inperfect competition.

   Suppose demand function is Q=20,000+5M

   Where Q is Quantity demanded, M is per capita level of income in rupees. Find out income elasticity of demand when per capital income in Rs 15,000.   5+5

11) What is an indifference curve? Discuss the properties of an Indifference curve.   2+8

12) What is the supply curve of a firm? Explain how the short run supply curve of a perfectly competitive firm is obtained?

                                                                      2+8