

UG 1st Semester Examination 2021

ECONOMICS (Honours)

Paper: DC-1

(Introductory Microeconomics)

[CBCS]

The figures in the margin indicate full marks. Candidates
are required to answer
in their own words as far as practicable.

Full Marks: 32

Time: Two Hours

Group A

Answer any *four* questions:

2×4 =8

1. Why demand curve is downward sloping?
2. What is weak preference?
3. Distinguish between fixed and variable costs.
4. What do you mean by Marginal Revenue Product (MRP)?
5. What is monopoly power?
6. What economic rent is as understood by Ricardo?

Group B

Answer any *four* questions:

4×4=16

7. Why water is almost priceless but diamond is expensive?
8. Explain the equilibrium of a consumer in terms of equi-marginal principle.
9. Distinguish between own price elasticity of demand and cross price elasticity of demand.
10. Explain the equilibrium of a firm in terms of MR-MC approach.
11. Explain why short run Average Cost curve is U-shaped.
12. Why supply curve does not exist in the monopoly market?

13. Briefly discuss the concept of modern theory of rent.
14. Explain consumer surplus with the help of a diagram.

Group C

Answer any one question:

8×1= 8

15. With the help of a suitable diagram explain how a consumer attains equilibrium situation.

8

16. How equilibrium price and quantity are determined with the interaction of demand and supply curves?

(8)