

**2021**  
**ECONOMICS**  
**[HONOURS]**  
**(CBCS)**  
**(B.A. First Semester End Examinations-2021)**  
**PAPER-CCT-1**

**Introductory Microeconomics**

*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) Define derived demand.
- b) Define utility.
- c) Define indifference map.
- d) What is budget line?
- e) What is the shape of an indifference curve if two products are complementary goods
- f) If the value of elasticity is zero, then the shape of demand curve is -----?
- g) Define 'giffen good'

(2)

- h) Define income effect.
- i) What is price elasticity?
- j) Define isoquant.
- k) Define Marginal Rate of Substitution.
- l) Define law of Variable Proportion.
- m) What is expansion path of a firm?
- n) What is Engel Curve?
- o) Distinguish between Cardinal Utility and Ordinal Utility.

**Group-B**

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

- 2) Explain the major difference between short run & long run concept. 5
- 3) Explain the features of indifference curve. 5
- 4) What are the major differences between ordinary & compensated demand curve? 5
- 5) Briefly discuss the law of Equi-Marginal Utility of Marshall. 5
- 6) Differentiate between extension in supply and increase in supply and between contraction in supply and decrease in supply. 5
- 7) How can a production possibility curve help in solving economic problems faced by an economy? 5
- 8) What are the reasons for market failures? Can government correct them? 3+2

(3)

**Group -C**

**Answer any two of the following questions: 10x2 = 20**

- 9) What is Price Consumption Curve? Describe how you can derive the individual demand curve from Price Consumption curve? 2+8
- 10) Explain the three stages of shortrun production function. Explain the relationship between average product and marginal product. 7+3
- 11) Define returns to scale. Explain the different types of returns to scale. Explain the relationship between average cost and marginal cost. 2+5+3
- 12) Define market. Explain the features of perfect competition. What are the equilibrium conditions of perfectly competitive market structure? 2+6+2