

**TDC Odd Semester Exam., 2020
held in July, 2021**

ECONOMICS

(Pass)

(1st Semester)

Course No. : ECOP-101

(**Microeconomics**)

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. (a) Define microeconomics. 2
(b) Distinguish between positive economics and normative economics with suitable illustrations. 8

2. (a) What does 'equilibrium' mean? 2
(b) Distinguish between static equilibrium and dynamic equilibrium. 8

UNIT—II

3. (a) What is demand curve? 2
(b) Explain the law of demand with individual demand schedule and individual demand curve. 8
4. (a) What is price elasticity of demand? 2
(b) Distinguish between elastic demand and inelastic demand. 4
(c) Discuss four factors determining elasticity of demand. 4

UNIT—III

5. (a) Explain the concept of indifference curve. 4
(b) Discuss the important assumptions on which indifference curve analysis of demand is based. 6

6. (a) Mention two defects of indifference curve analysis of demand. 2
(b) Show with the help of a diagram that the price effect is the combination of income effect and substitution effect. 8

UNIT—IV

7. (a) Define production function. 2
(b) Explain the law of variable proportions with suitable example and diagram. 8
8. (a) Define marginal product. 2
(b) Explain the relationship between total product and marginal product with the help of schedule and diagram. 8

UNIT—V

9. (a) Explain the concept of isoquants. 2
(b) Discuss the main properties of isoquants. 8
10. Explain the following concepts : 2+4+4=10
(a) Isocost line
(b) Elasticity of substitution
(c) Marginal rate of technical substitution

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