

Undergraduate Examination, 2018
Semester- I (CBCS)
Economics
Generic Elective Course: GEC-1
(Introductory Microeconomics)

Time: 3 Hours

Full Marks: 60

Questions are of value as indicated in the margin

Answer *any four* questions

1. Explain the various assumptions necessary to establish a perfectly competitive market. In this context, explain how a firm attains equilibrium in the short run in a perfectly competitive market. 6+9=15
 2. In brief, explain the various kinds of non-competitive markets that exist in the economy. In this context, explain how a firm attains equilibrium in the short run in monopoly. 8+7=15
 3. In production, explain the concepts of Total product, Average product and Marginal product. Using a diagram, explain their relationship. 7+8=15
 4. Define an isoquant and describe its properties. Given isocost, show how a producer maximizes output. 7+8=15
 5. Explain the properties of indifference curve. With the help of indifference curve and budget line show how a consumer reaches his optimum consumption bundle. 5+10=15
 6. Explain what you understand by Income Consumption Curve and Price Consumption Curve. Show how you can derive the demand curve and explain its properties. 8+7=15
 7. Explain the relation between total cost, average cost and marginal cost of a firm in both the short run and the long run. Show that the long run total cost curve is an envelope of the short run total cost curves. 9+6=15
 8. Write short notes on the following: 8+7=15
 - (a) Substitutes and Complements
 - (b) Cross Price elasticity of demand and Own price elasticity of demand
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