

**1/EH-16 (i) (Syllabus-2015)**

**2018**

( October )

**ECONOMICS**

( Elective/Honours )

( **Microeconomics** )

Marks : 75

Time : 3 hours

*The figures in the margin indicate full marks  
for the questions*

Answer **five** questions, taking at least **one**  
from each Unit

**UNIT—I**

1. What is consumer's equilibrium? Examine how a consumer attains equilibrium according to the equimarginal utility analysis. What are the limitations of the marginal utility analysis? 3+9+3=15
2. Explain the different degrees of price elasticity of demand with the help of suitable diagrams. How is price elasticity measured according to the point method? 8+7=15

2018

( October )

ECONOMICS

( Elective/Honours )

( Introductory Economic Theory )

Marks : 75

Time : 3 hours

The figures in the margin indicate full marks for the questions

Answer five questions, taking one from each Unit

UNIT—I

1. Discuss the various types of elasticity with suitable diagram. How is price elasticity measured by point method? 7+8=15

2. How does the consumer maximize his satisfaction through ordinal utility approach? Examine how ordinal utility approach is superior to cardinal utility approach. 8+7=15

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( Turn Over )

UNIT—II

3. Explain the concept of production function. State and explain different types of production functions. Explain the properties of the CES production function. 3+4+8=15
4. Explain the concept of elasticity of factor substitution and marginal rate of technical substitution. Explain producer's equilibrium with the help of a suitable diagram. 3+3+9=15

UNIT—III

5. Highlight the main features of monopolistic competition. Explain the determination of price and output in the short run under monopolistic competition. 6+9=15

6. What are the features of a perfectly competitive market? Explain how the equilibrium price and output are determined under such a market in the short run. 6+9=15

UNIT—IV

7. Discuss the loanable fund theory of interest. What are the limitations of the theory? 10+5=15
8. What is welfare economics? Explain how welfare is measured. Discuss the concept of social welfare function. 2+6+7=15

UNIT—II

- 3. Explain the various types of cost curves with suitable diagram. Explain the relationship between AFC, AVC, AC and MC with illustration. 7+8=15
- 4. What is production function? What are the various types of production function? Distinguish between returns to a factor and returns to a scale with suitable examples. 8+7=15

UNIT—III

- 5. Define monopoly. What are the characteristics of monopoly? How is price determined in monopoly during short and long periods? 2+4+9=15
- 6. Distinguish between gross interest and net interest. Explain the loanable fund theory of interest. What are its limitations? 4+8+3=15

UNIT—IV

- 7. Distinguish between the following : 5×3=15
  - (a) GDP and GNP
  - (b)  $NNP_{MP}$  and  $NNP_{FC}$
  - (c) Personal Income and Disposable Income and Dispensable

- 8. What is green accounting? In what manner green accounting has improved measurement of national income? 3+12=15

UNIT—V

- 9. Explain the classical theory of employment. What are its limitations? 10+5=15
- 10. Explain the concept of consumption function and saving function. Examine the equality of saving and investment. 9+6=15

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