

S-1/ECOH/01/16

TDP (Honours) 1st Semester Exam., 2016

ECONOMICS

( Honours )

FIRST PAPER

Full Marks : 80

Time : 3 hours

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

Answer **eight** questions, taking **two** from each Unit  
*Candidates are required to give their answers in their  
own words as far as practicable*

## UNIT—I

1. (a) What are the basic problems of an economy?
- (b) How does the price system solve society's economic problems?
- (c) Distinguish between positive and normative approaches to the study of microeconomics. 3+5+2=10
2. (a) Why does demand curve slope downward?
- (b) What is the difference between change in demand and change in quantity demanded? Explain with the help of diagram. 5+5=10

3. (a) Explain the concepts of inelastic demand and perfectly elastic demand.
- (b) Show how elasticity of demand at a point on a straight-line demand curve can be derived.
- (c) If cross price elasticity of demand between two goods is positive, what is the relation between these two goods?

## UNIT-II

4. (a) State the law of diminishing marginal utility.
- (b) Explain the relationship between total and marginal utilities with the help of suitable diagram.
- (c) State any two points on which Marshall's cardinal utility analysis has been criticized.
- (a) What is price effect?
- (b) Show that Price effect = Income effect + Substitution effect.
- (c) Determine the nature of a commodity by a division of price effect into income effect and substitution effect.

( 3 )

6. (a) When is a 'preference' of a consumer said to be revealed?  
(b) What are the weak and strong axioms of revealed preference theory?  
(c) Is the revealed preference theory superior to indifference curve analysis?

2+6+2=10

UNIT—III

7. (a) State the law of variable proportions.  
(b) Explain the three stages of the law of variable proportion.  
(c) In which stage a rational producer will seek to produce?

2+5+3=10

8. (a) Given the prices of two factors of production, explain the conditions of producing maximum output at a given cost.  
(b) What is the difference between diminishing marginal returns and returns to scale?  
(c) What is expansion path?

5+3+2=10

9. (a) Show the relationship between (i) average cost and average variable cost curves and (ii) average cost and marginal cost curves.

**TDP (Honours) 1st Semester Exam., 2021**  
**( Held in 2022 )**

**ECONOMICS**

**( Honours )**

**FIRST PAPER**

*Full Marks : 80*

*Time : 3 hours*

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

Answer **eight** questions, taking **two** from each Unit

*Candidates are required to give their answers in their  
own words as far as practicable*

**UNIT—I**

1. Explain briefly the basic economic problems of an economy. How do market mechanisms solve the basic problems of an economy?  
5+5=10
2. (a) Define equilibrium price and equilibrium quantity.

( 2 )

(b) What is excess demand for a good in a market? Suppose at a given price, there is an excess demand for a good. Explain how the equilibrium price will be reached.  $3+(3+4)=10$

a) Explain the determinants of elasticity of demand.

(b) Explain the relationship between price elasticity of demand and marginal revenue.  $5+5=10$

UNIT—II

4. (a) Graphically explain the law of diminishing marginal utility.

(b) Discuss also the assumptions and limitations of this law.  $6+(2+2)=10$

5. (a) Distinguish between cardinal utility approach and ordinal utility approach.

(b) What is meant by indifference curve? What are its assumptions?

(c) Write down the concept of marginal rate of substitution.

(d) Show that higher indifference curves represent a higher level of satisfaction than the lower ones.  $2+(2+2)+2+2=10$

( 3 )

6. (a) What is price effect?

(b) Show that price effect is the sum of income effect and substitution effect.  $2+8=10$

UNIT—III

7. What is production function? Discuss the relation among total, average and marginal products in different stages of production in the short-run. Explain why the producer will choose to operate only in stage II.  $2+6+2=10$

8. Explain the relationships between (a) average cost and average variable cost and (b) average cost and marginal cost as the average cost is falling, rising and at its minimum point.  $5+5=10$

9. What do you mean by short-run period and long-run period in economics? Explain the relationship between short-run and long-run average cost curves.  $3+7=10$

UNIT—IV

10. Define (a) gross domestic product (GDP) at market price and at factor cost, (b) depreciation costs, (c) investment expenditure and (d) consumption expenditure.  $(2+2)+(2 \times 3)=10$
11. (a) What are the methods of measuring national income?
- (b) Discuss any one method of measuring national income and point out the difficulties involved.  $2+8=10$
12. (a) Graphically explain the circular flow of national income.
- (b) Does GNP or national income reflect the correct level of social welfare?  $5+5=10$

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B.P. (Honours) 1st Semester Exam., 2015

ECONOMICS

( Honours )

FIRST PAPER

Full Marks : 80

Time : 3 hours

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

Answer **eight** questions, taking **two** from each Unit

*Candidates are required to give their answers in their own words as far as practicable*

UNIT—I

1. (a) What, in essence, is studied in 'microeconomics'?
- (b) Which are considered to be the basic economic agents or units in the study of microeconomics?
- (c) Explain the role played by the basic economic agents in the method of microeconomic analysis. 4+2+4=10

2. "In a free and competitive market, market mechanism is the tendency for market price to change until the market clears."  
Explain the above statement by using the concepts of demand and supply.

10

3. (a) What is meant by a state of 'equilibrium' in economics?

(b) When is such a state of equilibrium said to be (i) stable and (ii) unique?  $4+(3+3)=10$

UNIT—II

4. (a) What does an indifference curve represent?

(b) Why does an indifference curve slope downward from left to right?

(c) Why is it not possible for two indifference curves to intersect?

$$3+3\frac{1}{2}+3\frac{1}{2}=10$$

5. (a) How can you explain and construct an income-consumption curve?

(b) How can the concept of income-consumption curve be used to identify (i) a normal good and (ii) an inferior good?

$$(2+2)+(3+3)=10$$



6. (a) How can you explain and construct a price-consumption curve?
- (b) How can the concept of price-consumption curve be used to identify (i) a normal good and (ii) a Giffen good?  
(2+2)+(3+3)=10

UNIT—III

7. (a) What does a production function of any firm signify?
- (b) Consider a production function with one fixed input (capital) and one variable input (labour) and explain the relationship between the average product and marginal product of labour by using appropriate diagrams only.  
3+7=10
8. (a) Give an idea about the concepts of 'short-run' and 'long-run' used to analyze cost of production of a firm.
- (b) Explain how the above concepts affect the cost curves of a firm. (Use suitable diagrams.)
- (c) How can economies of scale of any firm be expressed with the help of long-run average cost curve and long-run marginal curve? (No proof is required.)  
(1½+1½)+5+2=10

( Turn Over )

( 5 )

12. (a) What is meant by 'economic welfare'?
- (b) Explain whether national income of a country can be accepted as an index of its economic welfare. 2+8=10

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**TDP (Honours) 1st Semester Exam., 2017**

**ECONOMICS**

( Honours )

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for the questions*

Answer **eight** questions, taking **two** from each Unit

*Candidates are required to give their answers in their  
own words as far as practicable*

**UNIT—I**

1. (a) Distinguish between microeconomics and macroeconomics.
- (b) How can you consider economics as a social science? 5+5=10
2. (a) Explain how a market attains equilibrium through interaction of demand and supply.
- (b) Discuss how the market re-attains equilibrium when there is excess demand in the market. 6+4=10

UNIT—IV

10. Distinguish between the following :  $2 \times 5 =$

(a) GNP and NNP

(b) Nominal GNP and Real GNP

(c) GNP at market price and GNP at factor cost

(d) NDP at market price and NDP at factor cost

(e) GNP at current price and GNP at constant price

11. (a) Discuss, in brief, the income method of measuring national income.

(b) Mention some of the difficulties faced in this method.  $5+5=10$

12. (a) Write down the concept of Net Economic Welfare. What are the injection and leakages in Net Economic Welfare?

(b) Is GNP a correct index of measuring economic welfare?  $(2+3)+5=10$

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**TDP (Honours) 1st Semester Exam., 2018**

**ECONOMICS**

( Honours )

FIRST PAPER

Full Marks : 80

Time : 3 hours

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for the questions*

Answer **eight** questions, taking **two** from each Unit

*Candidates are required to give their answers in their  
own words as far as practicable*

UNIT—I

1. (a) What are the basic problems of an economy?
- (b) How does a market economy solve the basic economic problems? Explain. 4+6=10
2. (a) State the law of demand.
- (b) Why is the demand curve downward sloping?
- (c) Distinguish between increase/decrease in demand and increase/decrease in quantity demanded. 2+3+5=10

3. (a) Define price elasticity of demand.
- (b) How is price elasticity of demand measured at a point on a curvilinear demand curve? 7.
- (c) Graphically explain the relationship between AR, MR and elasticity of demand.  $2+4+4=10$

### UNIT—II

4. (a) State the law of diminishing marginal utility.
- (b) Derive the demand curve using the law of diminishing marginal utility.
- (c) State the limitations of the law.  $2+6+2=10$
5. (a) Show that two indifference curves cannot intersect each other.
- (b) What do you mean by marginal rate of substitution (MRS) between two commodities?
- (c) When does MRS become zero?  $6+2+2=10$
6. (a) Define price effect.
- (b) Show with the aid of a diagram that price effect is composed of income effect and substitution effect.  $2+8=10$

UNIT—III

7. (a) What do you mean by producer's equilibrium?  
 (b) Briefly explain maximization of output subject to cost constraint.  $2+8=10$
8. (a) State the law of variable proportions.  
 (b) Explain the different stages of production in the short run.  
 (c) In which stage is it rational to undertake production?  $2+5+3=10$
9. (a) Show the relationship between (i) average cost and average variable cost curves and (ii) average cost and marginal cost curves.  
 (b) Show that marginal cost curve intersects average cost curve at its lowest point.  $(3+3)+4=10$

UNIT—IV

10. What is meant by the following?  $2 \times 5 = 10$
- (a) Depreciation  
 (b) Transfer payments  
 (c) Net factor income from abroad  
 (d) Imputed value of factor incomes  
 (e) Subsidies

11. (a) What do you mean by circular flow of national income?
- (b) Graphically explain the flow of national income in a four-sector open economy.
- (c) What are the main elements of injection and leakage flow of national income?

2+5+3=10

12. (a) What do you mean by the problem of double counting in national income? How can this problem be solved?
- (b) Identify various problems of measuring national income.

(2+3)+5=10

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3. (a) Explain the concepts of inelastic demand and perfectly elastic demand.
- (b) Show how elasticity of demand at a point on a straight-line demand curve can be derived.
- (c) If cross price elasticity of demand between two goods is positive, what is the relation between those two goods?  
 $(2+2)+5+1=10$

UNIT—II

4. (a) State the law of diminishing marginal utility.
- (b) Explain the relationship between total and marginal utilities with the help of suitable diagram.
- (c) State any two points on which Marshall's cardinal utility analysis has been criticized.  
 $3+5+2=10$
5. (a) What is price effect?
- (b) Show that Price effect = Income effect + Substitution effect.
- (c) Determine the nature of a commodity by a division of price effect into income effect and substitution effect.  
 $2+4+4=10$

( Continued )

3. (a) What are the factors determining elasticity of demand?

(b) Explain the relationship between slope of demand curve and elasticity of demand.

5+5=10

UNIT—II

4. (a) Discuss the properties of indifference curve.

(b) Explain how a consumer attains equilibrium given his budget line and the indifference map.

4+6=10

5. (a) What is meant by price consumption curve?

(b) Explain how a price consumption curve of an individual can be derived.

(c) Discuss how a demand curve is obtained from price consumption curve.

2+4+4=10

6. (a) What is income consumption curve?

(b) How can you derive demand curve from income consumption curve?

(c) Explain different shapes of income consumption curves for normal and inferior goods.

2+4+(2+2)=10

UNIT—III

7. (a) What is production function?
- (b) Discuss the relation among total, average and marginal products in different stages of production in the short-run.
- (c) Briefly discuss the difference between law of variable proportions and returns to scale.  $2+5+3=10$
8. (a) What is returns to scale?
- (b) Briefly explain the causes of increasing returns to scale and decreasing returns to scale.
- (c) Distinguish between economies and diseconomies of scale.  $2+(3+3)+2=10$
9. (a) Show that short-run average variable cost curve is U-shaped.
- (b) Why is long-run average cost curve envelope to the short-run average cost curves?  $5+5=10$

( Turn Over )

S-1/ECOH/01/19

**TDP (Honours) 1st Semester Exam., 2019**

ECONOMICS

( Honours )

FIRST PAPER

*Full Marks : 80*

*Time : 3 hours*

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for the questions*

Answer **eight** questions, taking **two** from each Unit

*Candidates are required to give their answers in their  
own words as far as practicable*

UNIT—I

1. (a) Discuss the scope of economics.
  - (b) Which are considered to be the basic economic agents in the study of micro-economics?
  - (c) Discuss the role played by the economic agents in the method of microeconomic analysis.
- 4+2+4=10

20M/9

( Turn Over )

5. How does a compensated demand curve differ from the ordinary demand curve? 10
6. (a) Define price-consumption curve.  
(b) Draw the price-consumption curve for a normal good  $x$ .  
(c) Derive the demand curve from his price consumption curve.  $3+3+4=10$

UNIT—III

7. (a) Distinguish between the law of variable proportion and law of returns to scale.  
(b) Analyze the three different types of return to scale.  $4+6=10$
8. Explain, with the help of a diagram, the relation between short-run and long-run average cost curves. 10
9. (a) What is expansion path?  
(b) Show that expansion path is straight line through the origin.  
(c) What do you mean by homogeneous production function? Give example.  $2+5+(2+1)=10$

UNIT—IV

GDP (I)

10. (a) Distinguish between (i) factor payments and transfer payments, (ii) wages of labour and incomes of self-employed.
- (b) Explain the concept of 'value added' with an example.  $(2\frac{1}{2}+2\frac{1}{2})+5=10$
1. Distinguish between the following :  $2\frac{1}{2}\times 4=10$
- (a) Gross domestic product and gross national product
- (b) Personal income and national income
- (c) National income and domestic income
- (d) Personal income and personal disposable income

What is national income? Explain the items included in it by income method and point out the difficulties involved.  $3+4+3=10$

11. (a) What do you mean by circular flow of national income?  
(b) Graphically explain the flow of national income in a four-sector open economy.  
(c) What are the main elements of injection and leakage flow of national income?  
 $2+5+3=10$
12. (a) What do you mean by the problem of double counting in national income? How can this problem be solved?  
(b) Identify various problems of measuring national income.  
 $(2+3)+5=10$

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