

**B.Sc. 1st Semester (Honours) Examination-2022-23**

**ECONOMICS**

**Course ID : 11611 Course Code : UG/ECO/101/C-1**

**Course Title : Introductory Micro & Macro Economics  
(New)**

*Time : 2 Hours*

*Full Marks : 40*

*The figures in the right hand margin indicate full marks.*

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

**1. Answer *any five* questions : 2×5=10**

(a) Distinguish between *Microeconomics* and  
*Macroeconomics*.

(b) State the *Fundamental Economic Questions*.

(c) What is a *Giffen good*?

- (d) Define *Income Elasticity of Demand*.
- (e) Distinguish between *Fixed Cost* and *Variable Cost* of a firm.
- (f) What is meant by *Disposable Income*?
- (g) Distinguish between *Real GDP* and *Nominal GDP*.
- (h) What is meant by *Saving Investment Identity*?

2. Answer **any four** questions : 5×4=20

- (a) What is a *Demand Curve*? How would you derive a *market demand curve* from *individual demand curves*?  
1+4
- (b) Graphically explain the difference between *movement along a supply curve* and *shift of supply curve*. Mention the factors responsible for shifts in supply curves.  
3+2
- (c) What is an *Indifference Curve*? Discuss, in brief, the properties of indifference curve. 1+4

- (d) What do you mean by a *Perfectly Competitive Market*? Describe the basic features of a *Perfectly Competitive Market*. 1+4
- (e) Describe the model of *Circular Flow of Income* for a closed economy with Govt. activities. 5
- (f) Define inflation and discuss the various causes of inflation. 5

3. Answer **any one** question : 10×1=10

- (a) Define production function. Explain the concepts of Total Product, Average Product and Marginal Product of a factor with the help of diagrams. Distinguish between Returns to Scale and Returns to Factor.  
2+4+4
- (b) Define Money. What are  $M_1$  and  $M_3$ ? Describe the various functions of money. 2+2+6
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