

2018

(November)

ECONOMICS

(Major)

Course : 101

(Microeconomics—I)

Full Marks : 80

Pass Marks : 32/24

Time : 3 hours

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

1. Answer the following as directed : $1 \times 8 = 8$

(a) How is price elasticity related to a vertical straight line demand curve?

(b) If a farmer grows rice and wheat, how will an increase in the price of wheat affect the supply curve of rice?

(c) Why does the budget line slope downward?

(d) What is the impact of diminishing marginal rate of substitution on the slope of indifference curve?