

# Gurudas College

Internal Assessment-2021

**B.Sc. (Honours) in Economics**

**Semester-III**

Paper: CC-3-5

**Intermediate Microeconomics-I**

**1. Answer any *four* questions.**

**1x4**

a) An isoquant shows a specific level of

(i) output

(ii) utility

(iii) cost

(iv) revenue

b) The marginal product curve is above the average product curve when the average product is

(i) increasing

(ii) decreasing

(iii) constant

(iv) none of the above

c) Which of the following cost curves is a rectangular hyperbola?

(i) MC

(ii) AVC

(iii) AC

(iv) AFC

d) The reason behind marginal cost eventually rising is

(i) diseconomies of scale

(ii) minimum efficient scale

(iii) law of diminishing returns

(iv) normal profit zero

e) Sunk costs are

(i) hidden and not taken into account for making economic decisions.

(ii) visible but not taken into account for making economic decisions

(iii) visible and taken into account for making economic decisions

(iv) hidden but taken into account for making economic decisions

**2. Answer any *two* questions**

**3x2**

a) Define the stages of production.

b) Derive the second order condition for constrained output maximization

c) Show diagrammatically the shapes of total product, average product and marginal product of a Leontief production function.