BACHELOR'S OF ARTS PROGRAMME

(BAECH/BAFEC/B.Com)

ASSIGNMENT 2026-27

For July 2026 and January 2027 Admission cycle

COURSE CODE: BECC-101

INTRODUCTORY MICROECONOMICS



SCHOOL OF SOCIAL SCIENCES

INDIRAGANDHINATIONALOPENUNIVERSITY

MAIDAN GARHI, NEW DELHI-68

Dear Student,

As explained in the Programme Guide, evaluation at IGNOU consists of two parts: i) continuous evaluation through assignments, and ii) term-end examination. In the final result, assignments of a course carry 30% weightage while 70% weightageis given for term-end examination. You will have to do three Tutor Marked Assignments (TMA) for a six-credit course and two TMAs for a four-credit course. This Assignment booklet has TMAs for the core course **BECC- 101 Introductory Microeconomics** which is a six-credit course.

Assignment One has Descriptive Category Questions (DCQs) along with the application part. These questions are framed to check your understanding of various introductory concepts of Economics along with your ability to solve the application based questions in a systematic, to-the-point and coherent manner.

Assignment Two has Middle Category Questions (MCQs). These questions require you to first analyse the topic in terms of arguments and explanations and then write the answers in a concise manner.

Assignment Three has Short Category Questions (SCQs). These questions are meant to improve your skill of recalling in brief the relevant/precise information about various economic concepts and processes.

Before you attempt the assignments, please read the instructions carefully provided in the Programme Guide. It is important that you write the answers to all the TMA questions in your own words. Your answers should be within the approximate range of the word-limit set for a particular section.

As mentioned in the Programme Guide, you need to submit all the assignments within the stipulated time for

being eligible to appear in the term-end examination to the **Coordinator of your study centre**. **The assignments should be submitted to the Coordinator of your Study Centre as per the following schedule:**

1. **By 31st March, 2027 by the students who took admission in the Academic Cycle July, 2026**.

2. **By 30th September, 2027 by the students who took admission in the Academic Cycle January, 2027**.

You must obtain a receipt from the Study Centre for the assignments submitted and retain it. If possible, keep a xerox copy of the assignments with you.

The Study Centre will have to return the assignments to you after they are evaluated. Please insist on this. This Study Centre has to send the marks to the Student Evaluation Division at IGNOU, New Delhi.

We expect you to answer each question as per guidelines for each category as mentioned in the assignment. You will find it useful to keep the following points in mind:

Planning: Read the assignments carefully, go through the Units on which they are based. Make some points regarding each question and then rearrange them in a logical order.

Organisation: Be a little selective and analytic before drawing up a rough outline of your answer. Give adequate attention to your introduction and conclusion.

1)

2) Make sure that your answer:

   a) is logical and coherent;

   b) has clear connections between sentences and paragraphs, and

   c) is written correctly giving adequate consideration to your expression, style and presentation.

3) **Presentation:** Once you are satisfied with your answer, you can write down the final version for submission, writing each answer neatly and underlining the points you wish to emphasize. Make sure that the answer is within the stipulated word limit.

BECC-101: INTRODUCTORY MICROECONOMICS

Tutor Marked Assignments

Course Code: BECC-101
Assignment Code: BECC-101/2026-27
Total Marks: 100

Assignment One

Answer the following Descriptive Category questions in about 500 words each. Each question carries 20 marks. Word limit does not apply in case of numerical questions 2×20 = 40

1. Define production possibility curve. How can we use production possibility curve to demonstrate increasing, constant and decreasing returns to scale? (Diagrams are required.)

2.What do you understand by the term 'market failure'? Explain the various sources of market failure. Which policy instruments can be resorted to regulate the inefficient market situations?

Assignment Two

Answer the following Middle Category questions in about 250 words each. Each question carries 10 marks. Word limit does not apply in application part of the question. 3× 10 = 30

3.Define corner solution. Explain the following two points under corner solution concept:

(a) When only one commodity is purchased.

(b) Consumer equilibrium in case of concave indifference curves. (Diagrams are required.)

4.Suppose a competitive firm has a total cost function TC(q)=450+15q+2q^2 and marginal cost function MC(q)=15+4q. If the market price is P=Rs 115 per unit,

(i) Find the level of output produced by the firm.

(ii) Find the level of profit and the level of producer surplus.

5.(a)What are the three stages of production? Which one of these do the producers prefer and why?

(b) With the help of diagram, define the ridge lines and the economic and the noneconomic regions of production.

Assignment Three

Answer the following Short Category questions in about 100 words each. Each question carries 6 marks.Word limit does not apply in application part of the question.

5 × 6 = 30

6. Given the following supply and demand functions of a commodity X, determine its equilibrium price and quantity.

$$Q_d = 5700 - 800P_x$$

$$Q_s = -6500 + 3000P_x$$

7. Explain with diagrams the approaches that are used to decompose the price effect into substation effect and income effect.

8. Define the fundamental role of the marginal cost in achieving efficiency in a perfectly competitive market.

9. In an economy of two commodities (X and Y) and two factors (L and K), how is general equilibrium of production reached?

10. Explain the concept of prisoner's dilemma.