2023

ECONOMICS

B.A. 3rd Semester End Examination - 2023

PAPER - CC5T

Full Marks : 60   *Time - 3 hours*

The figures in the right-hands margin indicate marks.
Candidates are required to give their answers in their own words as
far as practicable.
Illustrate the answera wherever necessary.

Group - A

Answer any ten questions (10) of the following. 10 x 2 = 20

1a)   What is expension path ?

b)   Define break even point.

c)   What is negative externality ?

d)   Define homothetic production function.

e)   What do you mean by marginal rate of technical substitution ?

f)   Why is the isoquant convex to the origin ?

g)   Define homogeneous production function.

(Turn Over)

h) What do you mean by ridge line ?

i) State the strong axioms of revealed preference theory.

j) Define giffen good.

k) What will be the shape of indifference curve when two commodities are substitutes of each other ?

l) What is law of equi-marginal utility ?

m) Draw the indifference curve when consumer is satiated in one commodity.

n) What is opportunity cost ?

o) State the product exhaustion theorem.

Group - B

Answer any four questions (04) of the following   4 x 5 = 20

2. Derive indirectly utility function from utility function.

3. Distinguish between returns to factor & returns to scale.

4. Define isoquant. Write down the properties of isoquant.

5. Define average cost. Why the shape of average cost curve is 'U' shaped ?

6 Discuss the determinants of demand for a factor.

7. Distinguish between compensating variation and equivalent variation in income.

8. Derive the short run supply curve of a firm under perfectly competitive market.

Group - C

Answer any two of the following question.   2 x 10 = 20

9. Define production function. What are important features of Cobb-Drouglus production function ?

10. Explain the three stages of production function. What are the relationship between average product & marginal product in the short runs.

11. i) Suppose a production function is given by $F(W,L)=KL^2$ the price of capital is Rs. 10.00 & labour is Rs. 15.00, what combination of labour & capital minimises the cost of producing any given output.
    ii) What for Longrun average cost curve is called envelope curve & also planning curve ?

12. Show that price effect is the resultant of income effect and substitution effect.