

Total Pages - 4

B.A. RNLKWC-/MAJOR-1/23

2023

ECONOMICS

B.A. First Semester End Examination - 2023

PAPER - MAJOR - 1

ELEMENTARY MICRO ECONOMICS

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 answers wherever necessary.*

**Group - A**

- |    |                                     |             |
|----|-------------------------------------|-------------|
| 1. | Answer any ten questions :          | 2 X 10 = 20 |
| a. | What do you mean by Inferior Good ? | 2           |
| b. | Define Murginal Utility.            | 2           |
| c. | What is meant by Invisible Hand ?   | 2           |

*(Turn Over)*

(2)

- g. Define Budget Constraint. 2
- h. What is the value os cross price elasticity of substitute products and complementary products respectively ? 2
- i. What is Production Possibility Crave (PPC)? 2
- j. What is the meaning of 'Ceteris PARIBUS'? 2
- k. What is 'equi - marginal Utility'? 2
- l. What are the defferance between positive statement and a normative statement ? 2
- m. What is opportunity cost ? 2
- n. What is MARGINAL rate of substition (MRS) between two goods? 2
- o. What do you mean by compensated demand curve ? 2
- p. Define the LAW of diminishing returns. 2
- q. What is Engle curve ? 2
- r. Define homothetic function. 2

(3)

**Group - B**

Answer any four questions : 5 x 4 = 20

- 2. What are the cherateristics of market economy ? 5
- 3. Explain the major features of Indifference curves. 5
- 4. Show that on a linear demand curve price elasticity of demand decreases continuously from infinity to zero. 5
- 5. Explain consumer equilibrium through Indifference curves and budget constraint. 5
- 6. Distinguish between change in demand and change in quantity demanded with suitable example. 5
- 7. Describe different factors influencing the supply of a commodity. 5
- 8. Make a destinction between the HICKSIAN and slulsky's substitution affects. 5

**Group - B**

Answer any two questions : 10 x 2 = 20

- 9. Define total cost, average total cost and manginal cost. How are They related ?

How and why do a firm's average total cost differ in the short run and long run. 5+5

10. What is production function? Explain the iso-quant approach to the analysis of the equilibrium conditions of a firm. 10

11. Explain three stages of production. Show that a rational producer prefers to the second stage of production. 2+8

12. State Marshallian and Walrasian approaches of stability condition of equilibrium. 5+5

---