2020

ECONOMICS (Honours)

Paper : ECOH - DC-5

(Intermediate Microeconomics-I)

(CBCS)

Full Marks : 32 Time : Two Hours

The figures in the margin indicate full marks.
Candidates are required to give their answers
in their own words as far as practicable.

Group - A

Answer any *four* questions. 2×4=8

1. Define Marginal Rate of Technical Substitution.

2. What is a homogeneous production function ?

3. Under what conditions the long-run average cost curve is a straight line parallel to the horizontal axis ?

4. State Product Exhaustion Theorem.

5. Distinguish between Compensating Variation and Equivalent Variation.

6. What do you mean by Economies of Scale ?

Group - B

Answer any *four* questions. 4×4=16

7. Explain the consumer equilibrium when both the commodities are perfect substitute.

8. Why LAC curve is called a planning curve ?

9. What are the basic assumptions of marginal productivity theory of distribution?

10. Graphically explain the substitution effect.

11. Prove that the isoquants produced by the Cobb-Douglas production function are downward sloping and convex to the origin.

12. "Long-run profit is zero under perfect competition" — Explain.

13. State Strong and Weak Axiom of Revealed Preference theory.

14. How the short run supply curve can be derived under Perfect Competition market.

Group - C

Answer any *one* question. 8×1=8

15. Consider a CES production function with two factor inputs labour and capital.
    (a) Derive the marginal productivity of the two inputs.
    (b) Derive the expansion path. 4+4

16. Explain the Short run equilibrium condition of a firm under perfectly competitive market. 8