



বিদ্যাসাগর বিশ্ববিদ্যালয়
VIDYASAGAR UNIVERSITY

Question Paper

B.Sc. Honours Examinations 2020

(Under CBCS Pattern)

Semester - III

Subject: ECONOMICS

Paper: C5T

Full Marks : 60

Time : 3 Hours

Candidates are required to give their answer in their own words as far as practicable.

The figures in the margin indicate full marks.

Attempt any **three** questions from the following :

3×20=60

1. Differentiate between the Hicksian substitution effect and Slutsky substitution effect. Hence explain the difference between Hicksian compensated demand curve and Slutsky compensated demand curve. In this connection explain the statement — ‘All Giffen goods are inferior in nature but the converse is not true’. 6+8+6
2. (a) Explain Weak Axiom of Revealed Preference Theory. 6
(b) Distinguish between compensating and equivalent variation. 6
(c) Derive the Slutsky equation. 8

3. (a) Explain the properties of isoquants. 6
- (b) Derive the conditions of output maximisation with respect to cost constraint. 6
- (c) Show that dasticity of substitution between factors is equal to unity for Cobb-Dougles production function. 4
- (d) Explain the equation of fixed proportion production function. 4
4. (a) Derive the short run supply curve of a firm under perfect competition. 10
- (b) Derive the supply curve of industry under perfect competition with respect to external economies of scale. 10
5. (a) Derive labour demand function for a competitive firm. 8
- (b) Derive backward bending labour supply curve. 8
- (c) Explain product exhaustion theorem. 4
6. Write short notes on the following :
- (a) Expected utility and risk aversion. 5
- (b) Returns to factor and returns to scale. 5
- (c) Expansion path of a firm. 5
- (d) Corner solution of consumer's equilibrium. 5
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