2023

(FYUGP)

(3rd Semester)

ECONOMICS

(Major)

Paper Code : EC3 CC5

(**Intermediate Microeconomics—I**)

Full Marks : 75

Pass Marks : 40%

Time : 3 hours

_The figures in the margin indicate full marks
for the questions_

Answer **five** questions, taking **one** from each Unit

UNIT—I

1. What do you mean by the term 'utility function'? Explain the axioms of rational choice of consumer theory. 3+12=15

2. What is expenditure minimization? Explain the properties of expenditure function. 5+10=15

UNIT—II

3. Explain Slutsky's substitution effect. 15

4. What do you mean by compensated demand curve? Explain the relationship between compensated and uncompensated demand curves. 9+6=15

UNIT—III

5. What are isoquants? Explain the properties of isoquants. 5+10=15

6. Explain the production functions in the cases of linear, fixed and Cobb-Douglas. 15

UNIT—IV

7. Explain why the LAC is called an 'envelope curve'. 15

8. Analyze the difference between real and pecuniary economies of scale. 15

UNIT—V

9. Explain the short-run demand for labour. 15

10. Explain the marginal productivity of labour. 15

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