

Bachelor of Rural Studies (BRS) (Honours) Examination, 2019
Semester-II (CBCS)
Rural Studies
Course: CC-3
(Economics for Rural Studies-I)

Time: Three Hours

Full Marks: 60

Questions are of value as indicated in the margin.

1. Answer **any five** questions. 5×3=15
 - (a) Indicate the major assumptions of Marshallian Theory of consumer behaviour.
 - (b) Briefly explain the concept of 'Diminishing Marginal utility'?
 - (c) State and explain the 'axiom of transitivity' for three commodity bundles.
 - (d) Explain the 'axiom of continuity of preference' with the help of diagram.
 - (e) Briefly explain the Hicksian compensation principle of substitution effect.
 - (f) Define First and second degree of price-discrimination exercised by a Monopolist.
 - (g) Define own-price elasticity of Demand.
 - (h) Define Iso-cline. (use diagram).
 2. Answer **any two** questions. 2×7.5=15
 - (a) 'Marshallian Demand Curve is a special type of demand curve' – explain and also indicate the assumption responsible for it.
 - (b) Derive Geometrically the expression of point elasticity for a linear demand curve.
 - (c) Prove – (i) Indifference Curves are downward sloping from left to right.
(ii) Two indifference curves cannot touch or intersect each other.

3.5+4=7.5
 3. Answer **any two** questions. 2×15=30
 - (a) With the help of the relation: Price Effect (PE) = Substitution Effect (SE) + Income Effect (IE) due to price change, Explain why a good that is inferior can be Non-Giffen. (use diagram)
 - (b) Describe the Short run and Long run equilibrium Condition of a perfectly Competitive firm with the help of diagram.
 - (c) Describe the equilibrium Condition of a 'Multiplant Monopolist'.
 - (d) Describe the different stages of production of a firm with single variable input. In which stage would the producer prefer to produce and why? 10+5=15
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