2019

MA/MSc

2nd Semester Examination

ECONOMICS

PAPER – ECO-204(new syllabus)

Full Marks : 50

Time : 2 Hours

The figures in the right-hand margin indicate full 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 **TWO** questions: 2x2

   a) Define market. What are the different types of market?

   b) Distinguish between break-even point and shut-down point for a perfectly competitive firm.

   c) Write any two differences between Perfect Competition and Monopoly.

   d) What do you mean by Oligopoly Market?

2.   Answer any **TWO** questions: 2x4

   a) Explain the determination of equilibrium market price.

   b) What are the main characteristics of a perfectly competitive market? Single out one characteristic that can be used solely for characterising such a market.

   c) Briefly explain how the equilibrium of a firm in a perfectly competitive market is determined.

   d) Discuss the assumptions of a monopoly market structure.

3.   Answer any **ONE** question   1x8

   a) Explain the law of demand. How can you find market demand curve from individual demand curves ? What are the determinants of market demand?

   b) Briefly explain the concept of Isoquant. What are its various shapes? Define Marginal Rate of Technical Substitution. Explain why LAC is known as the envelope curve and planning curve.   (2+2+2+2)= 8

Group-B

4.   Answer any **TWO** questions: 2x2

   a) What is high-powered money?

   b) What do you mean by appreciation and depreciation of exchange rate in the context of international trade?

   c) Define Gross Domestic Product at factor cost.

   d) What is the stability condition of national income equilibrium under Simple Keynesian Model?

5.   Answer any **TWO** questions: 2x4

   a) Briefly explain the cash balance approach and cash transaction approach of quantity theory of money.

   b) Discuss briefly any one method of measurement of GDP.

   c) Show that equilibrium national income under Simple Keynesian Model depends upon autonomous consumption, investment and government expenditure.

   d) Explain the Keynesian theory of investment multiplier.

6. Answer any **ONE** question: 1x8

a) Explain the functions of Central Bank of India.

b) What is 'comparative cost advantage'? Find out the trade possibilities of the following two countries – two goods one factor model:

Per unit labour cost of production		
Country	Product X	Product Y
A	80	90
B	120	100

Explain your answer. (2+6)

(Internal Assessment = 10 Marks)