



'समानो मन्त्रः समितिः समानी'

UNIVERSITY OF NORTH BENGAL
B.Com. Honours 1st Semester Examination, 2021

GE1-COMMERCE

MICROECONOMICS

Time Allotted: 2 Hours

Full Marks: 60

The figures in the margin indicate full marks.

GROUP-A

Answer any two questions from the following

12×2 = 24

1. Explain consumer's equilibrium with the help of Indifference Curve and Budget Line. 12
2. Explain with diagram how the optimum input combination to produce a given level of production is determined. 12
3. (a) When is price discrimination possible and profitable? 6+6
(b) Illustrate with diagram the long run industry supply curve in perfect competition.
4. (a) Discuss how long-run equilibrium is achieved by a firm under monopolistic competition. 6+6
(b) Distinguish between Collusive and Non-Collusive Oligopoly.

GROUP-B

5. Answer any **four** questions: 6×4 = 24
 - (a) Derive demand curve through Revealed Preference Theory. 6
 - (b) What is Expansion Path? How can the equation for this path be derived? 2+4
 - (c) Why is supply curve not an operational concept in case of a monopoly firm? Explain with diagrams. 6
 - (d) Show the relationship between AR, MR and elasticity of demand with a linear demand curve. 6

- (e) Explain why two Indifference Curves cannot intersect each other. 6
- (f) Briefly discuss the Cournot Model of Oligopoly. 6

GROUP-C

6. Answer any *four* questions: 3×4 = 12
- (a) Distinguish between MRS and MRTS. 3
- (b) If $MR = 2$ and $ed = 2$, then find out the value of AR. 3
- (c) How are the demands of complementary and substitute goods affected following a change in the price of a related good? 3
- (d) What do you mean by increasing returns to scale? 3
- (e) What are the assumptions of a perfectly competitive market? 3
- (f) Briefly discuss the Technological Economics of large scale production. 3

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