



'समानो मन्त्रः समितिः समानी'

**UNIVERSITY OF NORTH BENGAL**  
B.A./B.Sc. Honours 3rd Semester Examination, 2022

**CC5-ECONOMICS (305)**

**INTERMEDIATE MICROECONOMICS**

Time Allotted: 2 Hours

Full Marks: 60

*The figures in the margin indicate full marks.*

**GROUP-A**

1. Answer any **four** questions from the following: 3×4 = 12
- (a) Explain graphically the social indifference curve. 3
- (b) What are external economies and external diseconomies? 3
- (c) Explain three forms of Price Discrimination. 3
- (d) Would a perfectly competitive firm produce if price was less than the minimum level of AVC? Explain. 3
- (e) Show that there is no unique supply curve under monopoly market. 3
- (f) What do you mean by Pareto Optimality? 3

**GROUP-B**

**Answer any four questions from the following**

6×4 = 24

2. Show that a perfectly competitive system guarantees the attainment of maximum social welfare. 6
3. Write a brief note on general equilibrium. 6
4. Are price and output under oligopoly indeterminate? Explain. 6
5. How is the production possibility frontier related to the production contract curve? Explain. 6
6. Define Natural Monopoly. How is aggregate welfare affected by monopsony power? 2+4
7. Based on market research a firm's productive company in Kolkata obtains the following information about the demand and production cost of its new DVD. 6

$$P = 1000 - 10Q$$

$$TR = 1000Q - 10Q^2$$

$$MC = 100 - 10Q$$

where  $Q$  indicates the number of copies sold and  $P$  is the price. Find the price and quantity that maximises the company's profit.

**GROUP-C**

**Answer any *two* questions from the following**

12×2 = 24

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|-----|---|------|
| 8.  | Discuss graphically the short-run equilibrium of monopolist. Show how a monopolist firm can sell same quantity with different price and different quantity with same price. | 4+8  |
| 9.  | Define external diseconomies. Derive a long-run supply curve of increasing cost industry working under conditions of perfect competition.                                   | 2+10 |
| 10. | Distinguish between cartels and price leadership. Explain how equilibrium output and price are determined under price leadership by a dominant firm.                        | 4+8  |
| 11. | Briefly explain three marginal conditions to be satisfied for the attainment of Pareto efficiency of an economy.  | 12   |

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