

**2021/TDC/CBCS/ODD/
COMGE-101T/336**

**TDC (CBCS) Odd Semester Exam., 2021
held in March, 2022**

COMMERCE

(1st Semester)

Course No. : COMGE-101T

(Microeconomics)

Full Marks : 70

Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

SECTION—A

Answer any *twenty* of the following as directed :

1×20=20

1. Write the formula of average revenue.
2. What is meant by marginal revenue?
3. When is the demand for a good said to be elastic?

4. An Engel curve describes how household expenditure on a particular good or service varies with income.

(State True or False)

5. Mention one condition of consumer's equilibrium in case of single commodity.

6. What is expansion path?

7. Define marginal rate of technical substitution.

8. _____ curve shows all the combinations of inputs that yield same level of output.

(Fill in the blank)

9. What is meant by private cost of production?

10. Define isoclines.

11. Perfectly competitive firms are price takers because their demand curves are downward sloping.

(State True or False)

12. What is market price?

13. Mention one difference between firm and industry.

14. What is normal profit?

15. For a firm under perfect competition, the average revenue = _____.

(Fill in the blank)

16. What is meant by the term 'monopoly'?

17. Define social cost of monopoly.

18. What is price discrimination?

19. Demand curve of a monopoly firm is downward sloping.

(State True or False)

20. A monopoly firm can earn supernormal profit in the long/short run.

(Choose the correct answer)

21. Products in case of monopolistic competition are identical/differentiated.

(Choose the correct answer)

22. What is meant by product differentiation?

23. What is cartel?

24. In Cournot's duopoly model, each firm assumes constancy of the rival firm's price.

(State True or False)

25. Define price-leadership model.

SECTION—B

Answer any *five* of the following questions : $2 \times 5 = 10$

26. State two assumptions of an indifference curve.

27. Mention the different degrees of price elasticity of demand.

28. What is economic region of production?

29. Mention two differences between economies of scale and economies of scope.

30. State two assumptions of a perfectly competitive market.

31. How producer's surplus under perfect competition is measured?

32. State two essential conditions for price discrimination.

33. What are horizontal and vertical integration of firms?

34. State two characteristics of monopolistic competition.

35. Mention four essential public utility services.

SECTION—C

Answer any *five* of the following questions : $8 \times 5 = 40$

36. Explain the nature of revenue curves under perfect competition.
37. Critically explain the revealed preference theory of consumer behaviour.
38. Discuss the laws of returns to scale using isoquants.
39. Explain the long-run and short-run costs of production with diagram.
40. Determine the long-run equilibrium of firm and industry under perfect competition.
41. Discuss the Walrasian's stability of equilibrium.
42. Explain how a monopolist reaches equilibrium in the short-run.
43. Describe how a monopolist determines his profit maximizing output and price in the long-run.

44. Explain with the help of a diagram how long-run equilibrium of a firm under monopolistic competition is determined.
45. Discuss the price-output determination by a firm in the oligopoly market.
