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5 SEM TDC PM (CBCS) GE 501

2022

(Nov/Dec)

COMMERCE

(Generic Elective)

Paper : GE-501

(**Principles of Microeconomics**)

Full Marks : 80

Pass Marks : 32

Time : 3 hours

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

1. Answer the following as directed : 1×8=8

(a) Value of cross-elasticity of demand is positive for substitute goods.

(Write True or False)

(b) What is the shape of PCC in case of Giffen good?

(c) TFC is zero if level of output produced is zero.

(Write True or False)

(2)

- (d) The shape of total fixed cost curve is
- (i) upward sloping
 - (ii) downward sloping
 - (iii) parallel to X-axis
 - (iv) parallel to Y-axis

(Choose the correct answer)

(e) What do you mean by production function?

(f) The firms under perfect competition in the long run can earn

- (i) normal profit
- (ii) super normal profit
- (iii) loss
- (iv) All of the above

(Choose the correct answer)

(g) What is price discrimination?

(h) Mention one characteristic of oligopoly.

2. Write short notes on any four of the following : $4 \times 4 = 16$

- (a) Compensated demand curve
- (b) Properties of isoquant
- (c) Movement vs. shift in demand curve

(3)

(d) Characteristics of a perfectly competitive firm.

(e) Dead weight loss

3. (a) What do you mean by demand? Mention its determinant. State the law of demand. Derive a demand curve using an imaginary demand schedule.

$2+3+2+5=12$

Or

(b) Discuss the different methods measuring price elasticity of demand. 12

4. (a) What do you mean by ordinal utility? Discuss consumer's equilibrium with the help of ordinal utility analysis.

$2+9=11$

Or

(b) What is price effect? Explain price effect with the help of diagram. Can PCC be parallel? Explain. $2+6+3=11$

5. (a) Discuss the law of variable proportion with the help of diagram. Which stage of production is ideal for the producer and why? $8+3=11$

Or

(b) Discuss the economies of scale with the help of suitable example. 11

6. (a) Discuss the price and output determination of a perfectly competitive firm and industry under short run. 11

Or

(b) Write a note on discriminating monopoly. 11

7. (a) Discuss the concept of product differentiation in monopolistic competition. Explain the concept of excess capacity in monopolistic competition. 5+6=11

Or

(b) Compare and contrast between monopolistic competition and oligopoly. Analyze the dilemma of oligopolistic firm. 7+4=11
