



'সমানো মন্ত্র: সমিতি: সমানী'

**UNIVERSITY OF NORTH BENGAL**

B.A./B.Sc. Honours 3rd Semester Examination, 2021

**CC5-ECONOMICS (305)**

Time Allotted: 2 Hours

Full Marks: 60

*The figures in the margin indicate full marks.*

**GROUP-A**

1. Answer any **four** questions: 3×4=12
- (a) Define Consumers' surplus with the help of a suitable diagram.
  - (b) Write the assumptions of monopolistic competition.
  - (c) Explain Pareto efficiency.
  - (d) Explain the concept of monopoly power.
  - (e) Write the conditions of price discrimination.
  - (f) Why is the shape of the demand curve parallel to horizontal axis under perfect competition?

**GROUP-B**

2. Answer any **four** questions: 6×4 = 24
- (a) Explain that perfect competition is sufficient for Pareto optimality. 6
  - (b) Find the value of elasticity of the downward sloping straight line demand curve under monopoly market. 6
  - (c) Industry always earns normal profit in the long-run under perfectly competitive market.— Explain. 6
  - (d) Explain the various types of price discrimination. 6
  - (e) What do you mean by Collusive Oligopoly? In this context, explain the concept of a cartel with an example. 6
  - (f) Briefly explain the Cournot model with the help of reaction function. 6

**GROUP-C**

3. Answer any **two** questions: 12×2 = 24
- (a) Explain the concept of price rigidity with the help of the kinked-demand curve model. 12
  - (b) Firm can earn normal, super-normal and losses in the short-run under monopoly market. — Explain. 12
  - (c) Define shut down point. Will a firm under perfect competition continue with production even after incurring loss in the short-run? 2+10
  - (d) Explain with a suitable diagram how a monopolist sets price in two different markets. 12

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