

2025

(NEP-2020)

(2nd Semester)

ECONOMICS (MAJOR/MINOR)

(Microeconomics—II)

Full Marks : 75

Time : 3 hours

The figures in the margin indicate full marks for the questions

(SECTION : A—OBJECTIVE)

(Marks : 10)

Tick (✓) the correct answer in the brackets provided :

1×10=10

1. Under which form of market is a firm considered as price taker?
 - (a) Monopoly ()
 - (b) Monopolistic competition ()
 - (c) Duopoly ()
 - (d) Perfect competition ()
2. The price fixed by the government on a few carefully selected goods is
 - (a) cost price ()
 - (b) equilibrium price ()
 - (c) administered price ()
 - (d) All of the above ()
3. Entry is restricted under
 - (a) perfect competition ()
 - (b) monopoly ()
 - (c) monopolistic competition ()
 - (d) All of the above ()

4. Differentiated but close substitutes exist under
 - (a) perfect competition ()
 - (b) monopoly ()
 - (c) monopolistic competition ()
 - (d) All of the above ()
5. Few firms exist under
 - (a) perfect competition ()
 - (b) oligopoly ()
 - (c) monopolistic competition ()
 - (d) both perfect and monopolistic competitions ()
6. A market structure where a single buyer and a single seller exist is
 - (a) monopoly ()
 - (b) bilateral monopoly ()
 - (c) monopsony ()
 - (d) duopoly ()
7. The marginal productivity theory of distribution is associated with

(a) Adam Smith ()	(b) Lionel Robbins ()
(c) Alfred Marshall ()	(d) J. B. Clark ()
8. The uncertainty-bearing theory of profit was developed by

(a) P. A. Samuelson ()	(b) F. H. Knight ()
(c) Adam Smith ()	(d) David Ricardo ()
9. The compensation principle was formulated by

(a) Kaldor-Hicks ()	(b) Vilfredo Pareto ()
(c) A. C. Pigou ()	(d) Prof. Bergson ()
10. A situation in which it is impossible to make anyone better-off without making someone worse-off is said to be
 - (a) Bentham optimal ()
 - (b) Bergson optimal ()
 - (c) Hicks optimal ()
 - (d) Pareto optimal ()

(SECTION : B—SHORT ANSWERS)

(Marks : 15)

Write notes on *five* of the following, taking at least *one* from each Unit : 3×5=15

UNIT—I

1. Market equilibrium
2. Shutdown point

UNIT—II

3. Monopsony
4. Oligopoly

UNIT—III

5. Quasi-rent
6. Keynesian theory of interest

UNIT—IV

7. Classical welfare economics
8. Kaldor-Hicks theory of welfare

(SECTION : C—DESCRIPTIVE)

(Marks : 50)

Answer *five* questions, taking at least *one* from each Unit : 10×5=50

UNIT—I

1. With suitable diagram, explain how a firm attains equilibrium under perfect competition in the short run. 10
2. What do you mean by price discrimination? Explain when is price discrimination possible and profitable. 3+7=10

UNIT—II

3. Define duopoly and mention its features. Explain how a duopoly firm reaches equilibrium. 4+6=10
4. Discuss how a monopolistic firm attains long-run equilibrium. 10

UNIT—III

5. Briefly explain the marginal productivity theory of wage determination. 10
6. Explain, with the help of a diagram, how factor market equilibrium is attained. 10

UNIT—IV

7. Give a brief explanation of Pareto's criterion of social welfare. 10
8. Discuss Bergson-Samuelson social welfare function. 10
