



UNIVERSITY OF NORTH BENGAL
B.Com. Honours 1st Semester Examination, 2020

GE1-COMMERCE

MICROECONOMICS

Full Marks: 60

ASSIGNMENT

*The figures in the margin indicate full marks.
Candidates should answer in their own words and adhere to the word limit as practicable.*

Answer all the questions

15×4 = 60

1. Explain the consumer's equilibrium using indifference curve tools. In this context explain the concepts of income effect and substitution effect related to normal and inferior goods. 7+8
2. Discuss the returns to scale in isoquant approach to relate economies, constant and diseconomies of scales in average cost approach. 15
3. Explain the equilibrium of the firm and the industry in the short-run and in the long-run under perfect competition. 15
4. Explain the equilibrium price and output determination in oligopoly and mention why prisoner's dilemma may arise. 15

—x—