



বিদ্যাসাগর বিশ্ববিদ্যালয়
VIDYASAGAR UNIVERSITY
Question Paper

B.Com. Honours Examinations 2021
(Under CBCS Pattern)
Semester - III
Subject : MARKETING MANAGEMENT
Paper : C 5-T
(Managerial Economics)

Full Marks : 60
Time : 3 Hours

*Candidates are required to give their answers in their own words as far as practicable.
The figures in the margin indicate full marks.*

(Theory)
Group-A

A. Answer any **four** questions from the following : 12×4=48

1. (i) What is indifference curve? Analyse how a consumer attains equilibrium in the indifference curve theory, stating the assumptions you may have made in the process.
- (ii) Distinguish between the Hicks approach and Slutsky approach to the analysis of the effect of a change in the relative price of a commodity. 2+6+4
2. What do you mean by weak and strong axiom of revealed preference? Explain the revealed preference approach to the theory of consumer behaviour, indicating the

- underlying axioms. Is this approach better than the indifference curve approach for explaining the law of demand? Explain with reasons. 2+7+3
3. Define Production Possibility Frontier (PPF). What are the basic characteristics of PPF? State and explain the properties of Cobb-Douglas production function. Explain the relationship between diminishing marginal rate of technical substitution and diminishing marginal product of factors of production. 2+2+5+3
 4. Distinguish between 'returns to scale' & 'diminishing returns'? How does returns to scale impact expansion path of a firm? Explain with a suitable diagram how long run average cost curve of a firm can be derived from the short-run average cost curve of that firm. 3+6+3
 5. Write down the properties of a perfectly competitive market. Explain how a firm would reach equilibrium in short run and long run under perfect competition. Give brief concept on break even point and shut down point. 3+5+4
 6. Discuss short-run and long-run equilibrium of a monopolist. What is discriminating monopoly? How does monopolist set the price when he knows the consumers' reservation price? 7+2+3
 7. Explain why price competition is rare in oligopoly. Explain how a collusive oligopoly determines price and output level for participating firms. 5+7
 8. Discuss backward bending supply curve of labour. What do you mean by bilateral monopoly in labour market? Explain how the equilibrium wage rate is determined in such market. 3+3+6

Group - B

B. Answer any *six* questions from the following : 2×6=12

1. What is equivalent variation?
2. What is law of variable proportions?
3. When does labour supply curve become horizontal?
4. What is elasticity of substitution?
5. What is economies of scale?
6. Define completeness axiom of preference?

7. What is homogeneous production function?
 8. What is derived demand?
 9. What happens to duopoly markets, if conjectural variation (i) becomes zero and (ii) becomes positive.
 10. Define value of marginal product of labour (VMP_L).
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