

॥ विद्या सर्वस्य भूषणम् ॥

PRABODHAN EDUCATION SOCIETY'S
Vidya Prabodhini College of Commerce, Education, Computer & Management
Vidyanagar, Alto-Parvari, Goa

SEMESTER END EXAMINATION – OCT/NOV 2017 (Regular/Repeat)

Class: F.Y.B.Com

Sub: Micro Economics

Semester: I

M. Marks: 80 marks

As per CBCS

M. Time: 2 hours

INSTRUCTIONS: 1. All Questions are Compulsory. However internal choice is available.

2. Figures to the right indicate full marks.

3. Answer sub-questions in Q.1 & Q.2 in not more than 100 words each.

4. Answer questions in Q.3 to Q. 6 in not more than 400 words each.

5. Every main question should begin on fresh page.

Q.1) Answer any four of the following.

(4 x 4 = 16)

- Explain any two exceptions to the Law of Demand.
- Price of Nescafe rises from ₹ 50 per kg to ₹ 70 per kg, it results in a rise in demand for Tata tea from 5 kg to 10 kg. Calculate the cross elasticity of demand.
- Define budget line.
- State assumptions of the Law of Supply.
- What is Production function?
- Differentiate between accounting cost and economic cost.

Q.2) Answer any four of the following.

(4 x 4 = 16)

- Explain the equilibrium of firm using Total Cost and Total Revenue curve.
- Explain the concept of Average Revenue and Marginal Revenue in Monopolistic Competition.
- Explain any two features of Monopoly.
- How is the Supply curve under Perfect Competition?
- What is a Cartel?
- What is meant by Prisoner's Dilemma?

Q.3 A) Explain the Hicksian method of separating Income effect and substitution effect due to price change.

(12)

OR

Q.3 X) State the Law of Demand. Explain any six factors influencing Demand.

(12)

Q.4 A) i) Find out TFC, TVC, AFC, AVC, AC and MC from the following table. (06)

Output	0	1	2	3	4	5	6	7
Total cost	110	150	190	210	240	320	380	430

ii) From the findings, explain the shape of all the above concepts of costs. (06)

OR

Q.4 X) Explain the Law of Increasing Returns to scale and Decreasing Returns to scale with a help of Isoquants. (12)

Q.5 A) Explain the short run equilibrium of competitive firm with the help of a neat diagram. (12)

OR

Q.5 X) Discuss the various types of Price Discrimination practiced by Monopolist. (12)

Q.6 A) Explain the short run equilibrium of a firm under Monopolistic Competition. (12)

OR

Q.6 X) Explain the characteristics of Oligopoly model. (12)

X