Seat No:_____

PARUL UNIVERSITY FACULTY OF LAW

Enrollment No:_____

| | TACULII | OF LAW | |
|------------|------------|-----------|-------------|
| I-B.Com LL | .B. Summer | 2018 - 19 | Examination |

| emester: 2 1bject Code: 17302182 1bject Name: Micro Economics | Date: 15/04/2019 Time: 10.30 am to 1.00 pm Total Marks: 60 |
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| ibject Name: Micro Economics structions: | Total Marks: 60 |
| 1. All questions are compulsory. | |
| 2. Figures to the right indicate full marks. | |
| 3. Make suitable assumptions wherever necessa | arv. |
| 4. Start new question on new page. | |
| | (15 |
| Q.1 Do as directed. (MCQ) (1 marks each. <u>All Compulsory</u>) | (15 |
| 1. The is the change in cons | sumption patterns due to a change in |
| the relative prices of goods. | |
| a) supply | b) income effect |
| c) substitution effect | d) duopoly |
| 2. A has only one buyer for a | particular good or service, giving that buyer |
| significant power in determining the price | e of the products produced. |
| a) oligopoly | b) monopoly |
| c) duopoly | d) monopsony |
| | relationship between market demand and the factors |
| affecting market demand. | |
| a) Supply curve | b) Demand curve |
| c) Possibility curve | d) Market demand function |
| | rket where two sellers exist in the market providing a |
| particular product or service. | |
| a) Duopolyc) Oligopoly | b) Monopolyd) Monopoly |
| | d) Monopolistic competition |
| | situation where there are many sellers, but they are as opposed to the perfect competitive market |
| scenario. | as opposed to the perfect competitive market |
| a) Monopoly | b) Imperfect competition |
| c) Oligopoly | d) Perfect competition |
| 6. Consider the following statements and | |
| [i] Finite resources can be renewed. | |
| | f any choice in terms of the next best alternative |
| foregone. | |
| a) only [i] | b) only [ii] |
| c) both [i] and [ii] | d) none |
| | teristic/ assumption of perfect competition: |
| a) Perfect knowledge | b) Free entry and exit |
| c) Transportation cost | d) Homogeneous product |
| 8 means other things being | |
| a) Perfect competition | b) Ceteris paribus |
| c) Monopoly | d) Economic rationality |
| 9 is a group of buyers and selle | ers of a particular good or service. |
| | b) Market |
| a) Inflation | -, |

| | 10 or limited recourses is one of th | a most l | nosia aconomia problema wa faca | | | |
|-----|--|-----------------|------------------------------------|------|--|--|
| | 10 or limited resources, is one of the a) Unemployment | | Interdependence | | | |
| | c) Scarcity | , | None of the above | | | |
| | 11. If quantity demanded becomes completely unresponsive to price changes, the coefficient | | | | | |
| | tends to be zero. | | | | | |
| | a) Perfectly elastic demand | b) | Unit elastic demand | | | |
| | c) Inelastic demand | , | Perfectly inelastic demand | | | |
| | 12. Which of the following is not a supply curv | | • | | | |
| | a) Taste | | Expectations | | | |
| | c) Number of sellers | | Technology | | | |
| | 13. Which of the following is microeconomics | : | | | | |
| | a) Inflation | b) | Unemployment | | | |
| | c) Household income | d) | The level of output in the economy | | | |
| | 14 in economics is the consumer's | desire a | and ability to purchase a good or | | | |
| | service. | | | | | |
| | a) Demand | | Supply | | | |
| | c) None of the above | , | All of the above | | | |
| | 15. Which is the correct equation for individua | l demar | d function: | | | |
| | a) $Dx=f(Px, Pr, T, F)$ | | Dx=f(Px, Pr, Y, T, F) | | | |
| | c) $Dx=f(Px, Pr, Y, T, F, Po)$ | d) | Dx = f(Px, Pr, Y, Po, S, D) | | | |
| Q.2 | A) Answer the following (Each of three mar 1. Explain opportunity cost in detail. 2. Explain the term ceteris paribus with exam 3. State difference between macro vs micro 4. What is oligopoly? State its features. 5. Explain renewable and finite with examption | mple. econon | nics. | (15) | | |
| Q.3 | A) Explain the features of perfect competition in OR | n detail. | | (08) | | |
| | Explain substitution effect and income effect with diagram. | | | | | |
| | B) Explain in detail production possibility curv | ve. | | | | |
| | OR | | | (07) | | |
| | Explain the main characteristics of imperfec | ct comp | etition. | (07) | | |
| Q.4 | Q.4 A) Explain various types of markets in detail. | | | | | |
| | B) Answer the following (Any 4 each of two mark) | | | | | |
| | 1. What is individual demand function? | | | (08) | | |
| | 2. What is market demand function? | | | | | |
| | 3. Explain monopsony with example? | | | | | |
| | 4. Explain duopoly with example? | | | | | |

5. What is monopoly? State its features?
 6. Explain the law of diminishing returns.