C.E.S. COLLEGE OF ARTS AND COMMERCE, CUNCOLIM, SALCETE, GOA
F.Y.B.A. I SEMESTER END EXAMINATION, OCT, 2018
ECONOMICS
MICRO ECONOMICS –I
(Core Course- ECO DSC-I)

DATE: 24/10/2018 MAX. MARKS: 80
TIME: 10.00a.m to 12.00noon.

Instructions:
1. All questions are compulsory
2. Figure to the right indicate marks allotted for the question.
3. Draw appropriate diagram wherever necessary

Q1. Answer any four of the following questions in not more than 100 words: (4x4=16)

a) Outline the concept of opportunity cost.
b) Explain any four important features of mixed economy.
c) What is meant by extension and contraction in demand? Explain with the help of appropriate diagram
d) Outline the determinants of demand.
e) Explain the concept of cross elasticity of demand.
f) If D=20 – 2p and S= 4 + p. Calculate equilibrium price and equilibrium quantity demanded and supplied.

Q2. Answer any four of the following questions in not more than 100 words: (4x4=16)

a) Explain Diamond-water paradox.
b) What is Indifference Curves? List its properties.
c) Discuss the concept of Income effect with the help of Indifference Curve approach.
d) Explain why two isoquants cannot intersect.
e) Outline the relationship between Average Cost Curve and Marginal Cost Curve.
f) Write a note on Cobb-Douglas production function.

Q.3. A) What is basic economic Problem? How economic systems deal with the problem of scarcity and choice? (12)

OR

Q.3. X) Explain the law of supply with the help of appropriate diagram and explain variation in supply and change in supply. (12)

Q.4. A) Explain the concept and types of price elasticity of demand. Bring out its importance. (12)

OR

Q.4. X) Discuss the concept and method of measurement of elasticity of supply. What are its different types? (12)

Q.5. A) Explain the concept of Indifference Curve and Budget Line and show how consumer attains equilibrium using these concepts. (12)

OR

Q.5. X) Critically evaluate the law of diminishing marginal utility. Discuss why Indifference Curve approach is superior to cardinal utility approach? (12)

Q.6. A) Explain how producer attains equilibrium by using the concept of isoquant and isocost line (12)

OR

Q.6. X) Write a note on Long run Average Cost Curve and Long run Marginal Cost Curve. Outline the relationship between the two. (12)

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