

C.U.SHAH UNIVERSITY

Summer Examination-2018

Subject Name : Micro Economics-II

Subject Code : 4CO02MEC2

Branch: B.Com (English)

Semester : 2

Date : 25/04/2018

Time : 10:30 To 01:30

Marks : 70

Instructions:

- (1) Use of Programmable calculator & any other electronic instrument is prohibited.
 - (2) Instructions written on main answer book are strictly to be obeyed.
 - (3) Draw neat diagrams and figures (if necessary) at right places.
 - (4) Assume suitable data if needed.
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- Q-1** **Attempt the following questions:** **(14)**
- a)** In the perfect competition market there should be..... (1)
(A)several sellers and one purchaser
(B)several seller and purchaser
(C)one seller and several purchaser
(D)one seller and one purchaser
- b)** In the perfect competition market the customers are..... (1)
(A)maximum exploited (B)minimum exploited
(C)no exploited (D) get benefit
- c)** In monopoly there is..... (1)
(A)no production variation
(B)substantial product variation
(C)limited product variation
(D)product variation is limited and/or limited
- d)** Price discrimination of services is..... (1)
(A)always possible (B)seldom possible
(C)never possible (D)may or may not be possible
- e)** In monopolistic competition ther.... (1)
(A)is single producer
(B)are several producers
(C)are more than few and less than what is there in perfect competition
(D)are few producers
- f)** By incurring selling cost (1)
(A)the place of demand curve changes
(B)the shape of demand curve changes
(C)the place and shape of demand curve changes
(D)there is no change in place or shape of demand curve
- g)** By continuing the selling cost when the customer has already completed the purchase it creates..... (1)
(A)rise in demand (B)decline in demand
(C)no decline in demand (D)no rise in demand
- h)** The oligopolistic firms are having..... (1)



- (A)contradicting trends (B)common trends
(C)independent trends (D)uncertain about trends
- i) Price rigidity in oligopoly is a..... (1)
(A)special event (B)sudden event
(C)uncommon event (D)common event
- j) Quasi rent income is which type of event from the point of view of time? (1)
(A)long run (B)short run
(C)medium run (D)none of the above
- k) Concept of monetary wages is (1)
(A)relative (B)non relative
(C)relative and non relative (D)none of the above
- l) Which bank's function is to maintain stable economy? (1)
(A)IDBI Bank (B)Nationalised bank
(C)SBI Bank (D)Reserve Bank of India
- m) Which economist has stated ,”Profit is a return for research and innovation”. (1)
(A)Prof. Kaleki (B)Prof.Schumpeter
(C)Prof. Keynes (D)Prof. Chamberlin
- n) How can be the income of profit? (1)
(A)positive (B)negative
(C)substantial (D)any one of the above

Attempt any four questions from Q-2 to Q-8

- Q-2 Explain the profit theory of risk and uncertainty (14)
- Q-3 **Attempt all questions** (14)
(A) Give differences between Gross interest and Net interest (7)
(B) Explain the factors affecting the Rate of Interest. (7)
- Q-4 **Attempt all questions** (14)
(A) Explain the factors affecting the real wages. (7)
(B) Give differences between Product cost and Selling cost (7)
- Q-5 **Attempt all questions** (14)
(A) Explain the equilibrium of the firm and industry in the long run in perfecting competition market. (7)
(B) What is a monopoly ? Discuss the types of monopoly. (7)
- Q-6 (A) Explain kinked demand curve. (7)
(B) Explain the characteristics of oligopoly. (7)
- Q-7 **Attempt all questions** (14)
(A) Explain the characteristics of monopolistic competition. (7)
(B) Explain the effects of selling cost on demand curve. (7)
- Q-8 What is price discrimination ? Explain the conditions that make it possible when is it possible. (14)

