

C. U. SHAH UNIVERSITY

Winter Examination-2019

Subject Name: Micro Economics - I

Subject Code: 4CO01MEC2

Branch: B.Com (English)

Semester : 1

Date : 16/11/2019

Time : 02:30 To 05:30

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 long run all the costs.....	1
	(A)Increase (B)become constant (C)become variable (D)reduce	
	b) Who determines the wage rate?	1
	(A)Physical Production (B)Marginal Productivity	
	(C)Marginal Production (D)Physical Production	
	c) What can the financial value of total marginal production of any country be called?	1
	(A)Regional Income (B)Public Income	
	(C)Political Income (D)National Income	
	d) Nature of Business economics is.....	1
	(A)Idealistic (B)Realistic	
	(C)Idealistic and realistic (D)Profit oriented	
	e) The types of business decisions are	1
	(A)Two (B)Three (C)Four (D)Five	
	f) The incremental principle means.....	1
	(A)Concept of Period (B)Concept of Discount	
	(C)Concept of Excess (D)Concept of equal marginal	
	g) The changes in total cost due to certain decisions are known as cost.	1
	(A)Variable (B)Marginal	
	(C)Incremental (D)Semi- variable	
	h) The methods of measuring elasticity of demand are.....	1
	(A)Three (B)Four (C)Five (D)Six	
	i) Production function is a.....	1
	(A)Geometrical relation (B)Statistical relation	
	(C)Mathematical relation (D)Scientific relation	
	j) Types of production functions are.....	1
	(A)Two (B)Three (C)Four (D)Five	
	k) If the production function is $Z = 1$ then it is called.....	1



	(A)Stable returns production function	
	(B)Unstable returns production function	
	(C)Increasing returns production function	
	(D)Decreasing returns production function	
	l) Iso quant curve is having.....	1
	(A)Negative Slope	
	(B)Positive Slope	
	(C)Parallel to the base axis	
	(D)Paralled to the length	
	m) Expenditure function means.....	1
	(A)Cost – Income relation	
	(B)Cost – Price relation	
	(C)Cost – Production relation	
	(D)Profit – loss relation	
	n) The important determining factor of business economics is.....	1
	(A)Production	
	(B)Employment	
	(C)Equilibrium of firm	
	(D)National Income	
Q-2	Attempt all questions	(14)
A	Explain types of Business Decision.	7
B	Write a short note on Theory of Discount.	7
Q-3	State the meaning of elasticity of demand and explain its types.	14
Q-4	Attempt all questions	(14)
A	Define the concept of Opportunity cost with example.	7
B	Write a short note on Iso- Cost Curve	7
Q-5	Attempt all questions	(14)
A	Explain the disadvantages of development of firm.	7
B	Define cross elasticity of demand.	7
Q-6	Attempt all questions	(14)
A	Define the law of diminishing return.	7
B	Explain production function giving its meaning with example and discuss its types.	7
Q-7	State the concept of fixed cost, variable cost with example and figure.	14
Q-8	Attempt all questions	(14)
A	Define types of Income elasticity of demand.	7
B	Give limitations of the principle of the law of marginal productivity of distribution. (Any Five)	7

