

# C.U.SHAH UNIVERSITY

## Winter Examination-2019

**Subject Name : Micro Economics-II**

**Subject Code :4CO02MEC2**

**Branch: B.Com (English)**

**Semester : 2**

**Date : 12/09/2019**

**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.

- Q-1**      **Attempt the following questions:**      **(14)**
- a) When cost line is parallel to base line .....      1
- A) Price increases      C) Price remains variable
- B) Price decreases      D) Price remains constant
- b) Perfect monopoly is .....      1
- (A) Realistic      (B) Unrealistic
- (B) Practical      (D) Realistic & Unrealistic both
- c) In the imperfect competition with price discrimination, if there is oligopoly then there .....      1
- A) Is single producer      (C) are several producers .
- B) Are few producers      (D) is single or few producers.
- d) In the monopolistic competition, the cause of sales expenses is .....      1
- (A) Product Variation      (C) lack of product variation
- (B) Product specialization.      (D) lack of product specialization .
- e) By continuing the selling cost when the customer has already completed the purchase it creates .....      1
- ...
- A) Rise in demand .      C) no decline in demand
- B) Decline in demand      D) no rise inn demand
- f) In oligopoly the numbers of sellers or manufactures are ....      1
- A) several    B) More    C) few    D) None of these
- g) Price rigidity in oligopoly is a ..... Event      1
- A) Special      B) Sudden      C) Uncommon      D)Common
- h) Contract rent is known by which another name ?      1
- A) Differential rent      C) Periodic rent
- B) Economic rent      D) Rent
- i) Ricardo identifies differential rent by another which name ?      1
- A) Rent    B) Pure rent    C) Contract rent    D) Specialty rent
- j) Labour is the ..... of production.      1



- |    |   |                   |                      |            |   |
|----|---|-------------------|----------------------|------------|---|
|    | A) Means  | B) Ends           | C) Means & Ends both | D) Nothing |   |
| k) | There are ..... Types of wages.                             |                   |                      |            | 1 |
|    | (A) Two   | B) Three          | (C) Four             | (D) Five   |   |
| l) | Interest is the return of what ?                            |                   |                      |            | 1 |
|    | (A) Labour  | (C) Capital       |                      |            |   |
|    | (B) Land  | (D) Manager       |                      |            |   |
| m) | Gross profit is ..... than net profit.                      |                   |                      |            | 1 |
|    | (A) Less  | (C) More          |                      |            |   |
|    | (B) Equal   | (D) None of these |                      |            |   |
| n) | Income of which factor of production can be negative also ? |                   |                      |            | 1 |
|    | (A) Labour  | (C) Land          |                      |            |   |
|    | (B) Entrepreneur  | (D) Capital       |                      |            |   |

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

- |            |   |             |
|------------|---|-------------|
| <b>Q-2</b> | <b>Attempt all questions</b>  | <b>(14)</b> |
| (A)        | Write the characteristics of perfect competition.                         | 7           |
| (B)        | Evaluate perfect competition.   | 7           |
| <b>Q-3</b> | <b>Attempt all questions</b>  | <b>(14)</b> |
| (A)        | Discuss the types of Monopoly.  | 7           |
| (B)        | Make comparison between perfect competition and Monopolistic competition. | 7           |
| <b>Q-4</b> | <b>Attempt all questions</b>  | <b>(14)</b> |
| (A)        | Write the types of price discrimination.                                  | 7           |
| (B)        | State the characteristics of Monopolistic competition.                    | 7           |
| <b>Q-5</b> | <b>Attempt all questions</b>  | <b>(14)</b> |
| (A)        | Write limitations of selling cost.  | 7           |
| (B)        | Explain law of kinked demand curve.                                       | 7           |
| <b>Q-6</b> | <b>Attempt all questions</b>  | <b>(14)</b> |
| (A)        | Write the characteristics of oligopoly.                                   | 7           |
| (B)        | State the factors affecting the real wages.                               | 7           |
| <b>Q-7</b> | <b>Attempt all questions</b>  | <b>(14)</b> |
| (A)        | Explain modern theory of rent.  | 14          |
| <b>Q-8</b> | <b>Attempt all questions</b>  | <b>(14)</b> |
| (A)        | Write the types of interest.  | 7           |
| (B)        | Explain concept of economic profit.                                       | 7           |

