

Enrollment No: \_\_\_\_\_

Exam Seat No: \_\_\_\_\_

# C. U. SHAH UNIVERSITY

## Winter Examination-2020

Subject Name : Micro Economics - I

Subject Code : 4CO01MEC2

Branch: B.Com (English)

Semester: 1

Date: 09/03/2021

Time: 03:00 To 06:00

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) Business Economics means.....  
A) Managerial Economics B) Financial Economics  
C) Financial Economics D) Value Economics
- b) Nature of Business Economics is .....  
A) Idealistic B) Realistic  
C) A and B D) Profit –oriented
- c) Profit is difference between.....  
A) Price and Sales B) Income and Expenditure  
C) Production Exp. & Sales Exp. D) None
- d) The Incremental Principles means.....  
A) Concept of period B) Concept of Discount  
C) Concept of Excess D) None
- e) Basic Principles of Managerial Economics become ..... the economic problems of the firm.  
A) Helpful in solving B) complex  
C) useless in solving D) No role
- f) The changes in total cost due to certain decisions are know as ..... cost.  
A) Variable B) Marginal  
C) Incremental D) Semi variable
- g) Types of Elasticity of demands are....  
A) Three B) Four  
C) Five D) Six
- h) The methods of measuring elasticity of demand are.....  
A) Three B) Four  
C) Five D) Six
- i) The types of income elasticity of demand are....  
A) Three B) Four  
C) Five D) Six
- j) Production Function is a .....  
A) Geometrical relation B) Statistical relation



- C) Mathematical relation      D) Scientific relation
- k) Types of production function are....  
 A) Three                              B) Four  
 C) Five                                 D) Six
- l) What can the Financial value of total material production of any country be called?  
 A) Regional income                  B) Public income  
 C) Political income                  D) National income
- m) Isoquant curve is.....  
 A) does not cross each other      B) cross each other  
 C) are parallel to each other      D) are parallel to axle
- n) What is called the net production in any country?  
 A) Inter regional production      B) National production  
 C) Regional production             D) Political production

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

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|-----|--|------|
| Q-2 | Attempt all questions  | (14) |
|     | (A) Explain the nature of business economics.                                    | (7)  |
|     | (B) Explain the types of business decisions.                                     | (7)  |
| Q-3 | Attempt all questions  | (14) |
|     | (A) Describe the determining factors of elasticity.                              | (7)  |
|     | (B) What is price elasticity of demand? State its types.                         | (7)  |
| Q-4 | Attempt all questions  | (14) |
|     | (A) What is income elasticity of demand? State its types                         | (7)  |
|     | (B) Explain the incremental principle with illustration.                         | (7)  |
| Q-5 | Attempt all questions  | (14) |
|     | (A) What is production function? Explain its nature.                             | (7)  |
|     | (B) Explain advantages and disadvantages of development of firms.                | (7)  |
| Q-6 | Attempt all questions  | (14) |
|     | (A) Explain the law of diminishing return. Explain its usefulness.               | (10) |
|     | (B) Short note : Optimal input combination.                                      | (4)  |
| Q-7 | Attempt all questions  | (14) |
|     | (A) Short note: Importance of price elasticity of demand.                        | (4)  |
|     | (B) Explain the modern approach to cost of the firm.                             | (10) |
| Q-8 | Attempt all questions  | (14) |
|     | (A) Explain the limitations of the marginal productivity theory of distribution. | (7)  |
|     | (B) Explain the principle of marginal productivity of distribution.              | (7)  |

