

Enrollment No: _____

Exam Seat No: _____

C. U. SHAH UNIVERSITY

Winter Examination-2022

Subject Name : Micro Economics - I

Subject Code : 4CO01MEC2

Branch: B.Com (English)

Semester: 1

Date: 02/01/2023

Time: 11:00 To 02:00

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) Define Micro Economics.
- (b) What is Equi-Marginal Principle?
- (c) What is the meaning of Elasticity of Demand?
- (d) Name the methods for measuring Price Elasticity of Demand.
- (e) If the total expenditure rises with the fall in price, demand is _____
- (f) If price of tea rises by 20 per cent and demand for coffee rises by 5 per cent, cross elasticity of demand will be _____
- (g) Which law is related to Long Run Production Function?
- (h) Define Iso-Cost line.
- (i) Define Opportunity Cost.
- (j) What is Overhead Cost?
- (k) What is Long Run Average Cost?
- (l) Give meaning of Incremental Cost.
- (m) Explain Sunk Cost.
- (n) Define Economic Cost.

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

Q.2 What is Business Economics? Explain the nature & scope of Business Economics.

[14]



- Q.3 (a)** Explain different types of business decisions. [7]
(b) Explain the principle of Discount. [7]
- Q.4 (a)** Explain the types of Income Elasticity with diagram. [7]
(b) If Cross Elasticity of Demand between X and Y is positive, what could be the nature of relation between X and Y? What when Cross Elasticity of Demand negative? Explain with the help of diagram. [7]
- Q.5** Explain the factors affecting Price Elasticity of Demand. [14]
- Q.6 (a)** Write in detail the characteristics of Iso-quoants. [7]
(b) Explain the Law of Diminishing Return with illustration. [7]
- Q.7 (a)** Explain the relationship between AC & MC with diagram. [7]
(b) Write any seven criticism of The Marginal Productivity Theory of Distribution [7]
- Q.8 (a)** Explain the modern approach to cost of the firm. [7]
(b) Discuss the advantages of Internal Economies. [7]

