B.A. I SEMESTER END EXAMINATION, OCTOBER 2019
DSC ECONOMICS- MICRO ECONOMICS I

Duration: 02 Hours   **Marks**: 80

Instructions: *1.All questions are compulsory.*
2. Use of a simple calculator is permitted
3 The sub-questions in Q I and Q II are to be answered in 100 words each.
4. Questions carrying 12 Marks are to be answered in 400 words each.
5. Draw diagrams wherever necessary.

Q I) Answer *any four* of the following: **4x4=16**

(i) Define Opportunity cost?

(ii) What are the determinants of demand?

(iii) List any four features of capitalism

(iv) Define market supply curve.

(v) Price floor

(vi) If the price of a commodity falls down from Rs. 10 to Rs. 8 per unit and as a result the demand of the quantity of the commodity increased from 100 units to 120 units. Calculate and indentify the type of price elasticity of demand.

Q II) Answer *any four* of the following: **4x4=16**

(i)   Explain properties of indifference curve.

(ii)   What is income effect?

(iii)   Diamond water paradox

(iv)   List any two internal economics of scale.

(v)   The concept of explicit cost and implicit cost.

(vi)   Production function.

Q III A) Enumerate the features of Socialism.   **12**
OR
B) Describe the law of demand   **12**

.

Q IV A) Illustrate with neat diagrams the change and movement on supply curve.   **12**
OR
B) Discuss in detail the types of price elasticity of demand.   **12**

Q V A) Define and elaborate the law of diminishing marginal utility.   **12**

OR
B) Describe consumer equilibrium with indifference curve.   **12**

Q VI A) Delienate the law of return to scale.   **12**
OR
B) Calculate the TC, AFC, AVC, TAC and MC when Total Fixed Cost of production is assumed to be Rs. 100. The information related to TVC for different units is given in below.   **12**

No of Units	1	2	3	4	5	6	7	8
TVC	100	150	250	375	580	690	820	950

Duration: 02 Hours   **Marks**: 80

Instructions: *1.All questions are compulsory.*
                  2. Answer sub-questions in Q I and Q II in 100 words each.
                  4. Answer Q III and Q IV in 400 words each.
                  5. Draw diagrams wherever necessary.

Q I) Answer *any four* of the following: **4x4=16**

    (i) Explain the concept of scarcity

    (ii) Explain any four determinants of supply.

    (iii) Write a short note on price rationing.

    (iv) Briefly explain any four features of mixed economy.

    (v) What is opportunity cost?

    (vi) If the price of a notebook falls down from Rs. 25 to Rs. 20 per unit and due to this, the quantity demanded of the commodity has increased from 150 units to 180 units. Calculate and identify the type of price elasticity of demand.

Q II) Answer *any four* of the following: **4x4=16**

  (i)   Write a short note on Budget constraints.

  (ii)   Explain diamond water paradox.

  (iii)   State the concept of economic profit and accounting profit.

  (iv)   Two diseconomies of scale.

  (v)   Any four features of Utility.

  (vi)   Explain increasing return to scale.

Q III A) Explain with neat diagram Production Possibility Curve.   **12**

OR

    B) Describe shift of demand verses movements along demand curve.   **12**

.

Q IV A) Illustrate the various factors influencing price elasticity of demand.   **12**

OR

    B) Explain in detail the law of supply.   **12**

Q V A) Describe income effect of consumer with a neat diagram.   **12**

OR

    B) What is revealed preference theory of demand?   **12**

Q VI A) State the law of variable proportion.   **12**

OR

B) Calculate the TC, AFC, AVC, TAC and MC when Total Fixed Cost of production is assumed to be Rs. 150. The information on TVC for different units is given in below: **12**

No of Units	1	2	3	4	5	6	7	8
TVC	100	150	300	475	590	680	840	980