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S.V.'s Sridora Caculo College of Commerce & Mgmt. Studies
Telang Nagar, Khorlim, Mapusa, Goa.

F.Y. B.Com Semester I End Exam Oct, 2017

Sub-Micro Economics(w.e.f 2017-18)

Max. Marks: 80

Max. Time: 2 hrs

Instructions: i) All questions are compulsory, however internal choice is available
ii) Figures to the right indicate marks

Q.1 Answer any four in short:

(4x4=16)

- a) What is an indifference curve? Explain any three properties.
- b) With a suitable schedule, draw a market demand curve.
- c) Suppose the price of cigarettes increased from Rs. 24 to Rs. 32 per pack and the quantity demanded fell from 18 units to 12 units, calculate the price elasticity using the percentage method.
- d) What is marginal rate of technical substitution?
- e) Write a note on economies of scope.
- f) Bring out the major differences between private and social costs of production.

Q.2a) With the help of an appropriate schedule and graph, explain the Law of Demand. (12)

OR

Q.2b) With neatly labelled diagrams, explain the different types of price elasticity of demand. (12)

Q.3a) Explain the law of returns to scale using isoquants. (12)

OR

Q.3b) Explain the various internal and external economies of scale. (12)

Q.4 Answer any four in brief:

(4x4=16)

- a) Explain the three degrees of price discrimination.
- b) With a suitable graph, show long run equilibrium of a firm operating under perfect competition.
- c) Horizontal and vertical integration of firms.
- d) Bring out the importance of interdependence in oligopoly.
- e) What is collusive oligopoly? What are its two forms?
- f) Why are selling costs important in monopolistic competition?

Q.5a) With suitable diagrams, explain price-output determination under perfect competition in the short run. (12)

OR

Q.5b) With suitable diagrams, explain price-output determination under monopoly in the short run. (12)

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Q.6a) With suitable diagrams, explain price-output determination in monopoly competition in the short run.

OR

Q.6b) With an appropriate graph, explain Cournot's model of duopoly.