

SVKM's NMIMS
NMIMS – GLOBAL ACCESS SCHOOL FOR CONTINUING EDUCATION

Programme: DFM/PGDFM

Examination: April 2018
Subject: Micro Economics

Semester: II
Course : New
Marks : 70
Time: 11.00 a.m. to 2.00 p.m.

Instructions:

1. Answer to each new question to be started on a fresh page.
2. Figures in bracket indicate full marks.

Q.1) Attempt any 2 out of 4

(Marks: 2X5=10)

- a) Differentiate between Microeconomics and Macroeconomics.
- b) How Macroeconomics helps organisation in decision making.
- c) Discuss any three characteristics of Monopoly.
- d) What will be the present value of 1000 to be received after one year if the rate of interest is 05 percent?

Q.2) Write Short Notes on any 2 out of 5

(Marks: 2X5=10)

- a) Exceptions to the Law of Demand
- b) Monopoly Vs Perfect Competition
- c) The Production process
- d) Kinked Demand Curve
- e) Barriers to entry for new firms in a market

Q.3) Attempt any 3 out of 5

(Marks: 3X10=30)

- a) Explain the concept of elasticity of Demand with its types in detail.
- b) If the price of good Y falls from Rs 50 to Rs. 40, and the demand for good X increase from 200 Kg. to 250 Kg then Calculate the cross elasticity of demand and comment.
- c) Fill in the blanks in the following table;

Usage of the Variable Factor (L)	Total Product	Average Product	Marginal Product
1	--	20	--
2	--	--	34
3	81	--	--
4	--	26	--
5	--	--	21

d) Discuss the types and properties of isoquants in detail.

e) Why long run average cost curve is 'U' shaped?

Q.4) Attempt both the questions

(Marks: 2X10=20)

a) Write a detailed note on law of variable proportion.

b) Using following data, calculate the price elasticity of demand when (a) price increases from Rs 3.00 per unit to Rs 4.00 per unit and (b) the price falls from Rs. 4.00 per unit to Rs 3.00 per unit.

Price	1	2	3	4	5	6
Quantity	8000	4650	3250	2000	1250	750
