

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

Programme: DFM/PGDFM

Examination: June 2017
Subject: Micro Economics

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

Date: 16.06.2017

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) Define the terms Microeconomics and Macroeconomics with examples.
- b) Discuss the role of Macroeconomics in decision making.
- c) Discuss any three characteristics of oligopoly.
- d) Briefly explain the criteria on the basis of which market can be classified.

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

(Marks: 2X5=10)

- a) The Production process
- b) Characteristics of Isoquants
- c) Shifts in Demand Curve
- d) Types of profits
- e) Principles of Economics

Q.3) Attempt any 3 out of 5

(Marks: 3X10=30)

- a) Write a detailed note on law of variable proportion.
- b) Explain factors determining the elasticity of demand.
- c) Why long run average cost curve is 'U' shaped?
- d) A bicycle manufacturer faces a horizontal demand curve. If the firm's total costs are given by the equation $TVC = 150Q - 20Q^2 + Q^3$ where Q is quantity then below what price should the firm shut down operations?
- e) Describe any five features of perfect competition.

Q.4) Attempt both the questions

(Marks: 2X10=20)

a) Discuss the situations of disequilibrium.

b) Draw a market supply curve against price(Y- Axis) from the following table

| Price in rupees | Supply(S ₁) | Supply(S ₂) | Supply(S ₃) |
|-----------------|-------------------------|-------------------------|-------------------------|
| 37 | 0 | 4 | 14 |
| 47 | 0 | 8 | 16 |
| 57 | 10 | 12 | 18 |
| 67 | 10 | 16 | 20 |
