



M-014-003412

Seat No. _____

M. P. M. (Sem. IV) (CBCS) Examination

May / June - 2018

Macro & Micro Economics

Faculty Code : 014

Subject Code : 003412

Time : 3 Hours]

[Total Marks : 80

- Instructions :** (1) Answer any three from each section except question 1 and 5 are compulsory.
(2) Figure to right indicate marks.
(3) Draw neat and clean diagram when required.

SECTION – I

- 1** Answer any **seven** out of given 10 questions : **2×7=14**
- (1) Mention formula of Income Elasticity of Demand.
 - (2) State Different types of Economics.
 - (3) Define the term Market Power.
 - (4) What is Willingness to Pay ?
 - (5) What is Price Ceiling ?
 - (6) Define Scarcity.
 - (7) Define Efficiency.
 - (8) What do you mean by Free Rider ?
 - (9) What does term Excludability mean ?
 - (10) Define Marginal Rate of Substitution.
- 2** Answer the following :
- (a) What is Economics? And differentiate between **7**
Macroeconomics and Microeconomics.
 - (b) Explain in Detail 4 Properties of Indifference Curve **6**
with Diagram.
- 3** Answer the following :
- (a) Define Price Elasticity and explain determinants of **7**
Price Elasticity of Demand.
 - (b) Explain Principle of Economics related to "How do **6**
People Make Decisions" ?

- 4 Answer the following :
- (a) Explain in Detail Variety of Supply Curves (Diagrams). 7
 - (b) Explain in Detail Price Elasticity and Total Revenue. 6

SECTION – II

- 5 Answer any **two** out of three : 7×2=14
- (1) Explain Income Elasticity of Demand in Details.
 - (2) Explain Cross Elasticity in Detail.
 - (3) Explain Different types of Goods.
- 6 Answer the following :
- (a) Explain Principle of Economics related to "How the Economy as a Whole Works. 7
 - (b) Describe in Brief Public Policies towards Externalities. 6
- 7 Answer the following :
- (a) Explain Variety of Demand Curves (Diagrams). 7
 - (b) Explain the concept of Producer Surplus. 6
- 8 Answer the following :
- (a) What is Cost Benefit Analysis, explain in detail. 7
 - (b) What determines the quantity an individual supplies ? 6
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