Reg.No \_\_\_\_\_\_\_\_\_\_\_\_



**End Semester Examination –Nov / Dec – 2019**

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| **Code : 16BC2003** | | **Duration:** | **3hrs** |
| **Sub. Name : PRINCIPLES OF MICRO ECONOMICS** | | **Max. marks:** | **100** |

**ANSWER ALL QUESTIONS (5 x 20 = 100 Marks)**

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| **Q. No.** | | **Questions** | **Course**  **Outcome** | **Marks** |
| 1. | | Explain the micro economics, its objectives and how it differs from macro economics. | CO1 | 20 |
| (OR) | | | | |
| 2. | | Derive the demand curve of a consumer from the price consumption curve. | CO3 | 20 |
|  | |  |  |  |
| 3. | | Define cross-elasticity of demand. Distinguish between substitutes and complementary goods on the basis of cross-elasticity of demand. | CO1 | 20 |
| (OR) | | | | |
| 4. | | If the average cost of a product is constant, then what will be the shape of average cost and marginal cost curve? Explain the reason. | CO3 | 20 |
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| 5. | | Derive the short-run supply curve of a firm under perfect competition. | CO3 | 20 |
| (OR) | | | | |
| 6. | | Explain the law of variable proportions. | CO2 | 20 |
|  | |  |  |  |
| 7. | | What are the assumptions of monopolistic competition? How does a firm in monopolistic competition achieve equilibrium in the short run and long run? Show the excess capacity of the firm. | CO4 | 20 |
| (OR) | | | | |
| 8. | | Discuss the conditions of price discrimination under monopoly. | CO3 | 20 |
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|  | | **Compulsory**: |  |  |
| 9. | | Explain the Marshallian definition of Economics. | CO1 | 20 |