Name: **Enrolment No:**	UPES UNIVERSITY WITH A PURPOSE

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination January - 2021

Course: Microeconomics **Semester: I**
Program: BA Public Policy & Admin. **Time : 3 Hours**
Course Code: BAPP1003 **Max. Marks: 100**
Instructions:

SECTION A

S. No.		Marks	CO
Q1	Uniform Price for homogeneous product at any one time is the essential condition of- **A.** Monopolistic competition **B.** Oligopoly **C.** Perfect competition **D.** Duopoly	**5**	**CO1**
Q2	MC = MR = AR means equilibrium position of a firm **A.** In the long period **B.** In the short period under imperfect competition **C.** In the short period under perfect competition **D.** Under perfect competition	**5**	**CO1**
Q3	Microeconomics deal with- **A.** Inflation in the country **B.** The economic behavior of an individual unit **C.** The per capita income **D.** The problems of poverty and unemployment in the country	**5**	**CO1**
Q4	Marginal cost is defined as: **A.** the change in total cost due to a one unit change in output. **B.** total cost divided by output. **C.** the change in output due to a one unit change in an input. **D.** total product divided by the quantity of input	**5**	**CO1**
Q5	When a firm is producing 20 units, its ATC is Rs. 40 and AVC Rs. 37. The total fixed cost (TFC) of the firm is **A.** Rs. 40 **B.** Rs. 60 **C.** Rs. 80 **D.** Rs. 100	**5**	**CO1**
Q6	MRSxy = Px/Py where- **A.** Consumer is in equilibrium **B.** Consumer is not in equilibrium **C.** Producer is in equilibrium **D.** None of the above	**5**	**CO1**

SECTION B			
S. No.		**Marks**	**CO**
Q1	Explain briefly the following concept. A. Explicit cost and implicit cost B. Positive and Normative Economics C. Firm equilibrium D. Opportunity cost	**10**	**CO2**
Q2	Critically examine law of Returns to scale. Illustrate your answer with help of diagram.	**10**	**CO3**
Q3	Explain the Consumer's Equilibrium with the help of indifference Curve Approach. Illustrate your answer graphically.	**10**	**CO3**
Q4	What is Price elasticity of Demand and promotional elasticity of demand? Explain different degrees of price elasticity of demand. Illustrate your answer with the help of Diagram.	**10**	**CO3**
Q5	Explain relationship between marginal cost (MC) and average Cost (AC) in short run cost function. Illustrate your answer graphically	**10**	**CO2**

SECTION C			
S. No.		**Marks**	**CO**
Q1	Explain the price & output determination under the condition of perfect competition in the Short Run & in the Long Run. Illustrate your answer graphically. OR Define the production function. Explain the producer equilibrium with help of Isoquant and Iso-cost curve. Illustrate your answer graphically.	**20**	**CO4**