

(Following Paper ID and Roll No. to be filled in your Answer Book.

**PAPER ID : 9303**

Roll  
No.

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**Int. LLB Examination 2013-2014**

**(First Semester)**

**MICRO ECONOMICS**

*Time : 3 Hours]*

*[Maximum Marks : 100*

**Note :-** (i) The question paper contains **three** sections A, B and C.

(ii) All section are compulsory.

(iii) Section A carries **20** marks, section B carries **30** marks and section C carries **50** marks.

**SECTION-A**

1. Fill in the blanks. All part are compulsory :      20x1=20
- (a) In....., every firm is a price taker.
  - (b) Perfectly elastic demand curve is parallel to the.....axis.
  - (c) A rightward shift in demand curve shows.....in demand.
  - (d) Average fixed cost.....with the increase in output.

**[ P. T. O.**

- (e) The concept of consumer's surplus was invented by.....
- (f) Perfect competition prevails when the demand for the output of each product is.....elastic.
- (g) A rise in the prices of factors of production increases the.....of the commodity.
- (h) Marginal cost is an.....cost.
- (i) In long run, there is only.....costs.
- (j) In.....curve shows the relationship between income and consumption expenditure.
- (k) When total revenue falls, marginal revenue is.....
- (l) Profit is the difference between.....and.....
- (m) Each point on an indifference curve shows.....
- (n) Long run average cost curve is dependent on.....
- (o) The isoquants are.....sloping from left to right.
- (p) The full form of PCC is.....
- (q) MC curve cuts the AC curve at its.....point.
- (r) When output increases, the AC and AVC come.....
- (s) When output is.....total cost equals to fixed cost.
- (t) Envelope curve is the another name of.....

**SECTION-B**

**Note :-** Answer any **three** questions out of **five**.  $3 \times 10 = 30$

2. Explain the meaning and characteristics of isoquants.
3. Describe the factors affecting elasticity of supply.
4. What is the concept of cost of production?
5. What is elasticity of demand? What is the relationship between price elasticity and cross elasticity?
6. Illustrate Prof. J.R. Hicks measure of consumer's surplus.

**SECTION-C**

**Note :-** All questions are compulsory.  $12.5 \times 4 = 50$

7. (a) Explain different stages of returns to scale under the situation of production function with all available inputs.

**OR**

- (b) What are the isocost lines? What are the difference between isocosts and isoquants?
8. (a) What do you understand by 'Economies of scale'? Are these economies continuously available?.

**OR**

- (b) Explain the cost output relationship in the long run.

*[ P. T. O. ]*

9. (a) Describe the conditions of perfect competition. How is price determined under perfect competition?

**OR**

- (b) What is income-consumption curve? Distinguish between income effect and substitution effect.
10. (a) Prepare a schedule based on imaginary data about TR, AR and MR assuming that the price is the same at all levels of output and also explain the relationship between TR, AR and MR under the given condition.

**OR**

- (b) What do you understand by social and private costs? Differentiate between 'revenue' and 'profit'.

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