

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE
Second Semester BA Economics Degree Examination, March 2018
BECO2B02 – Micro Economics II
 (2017 Admission onwards)

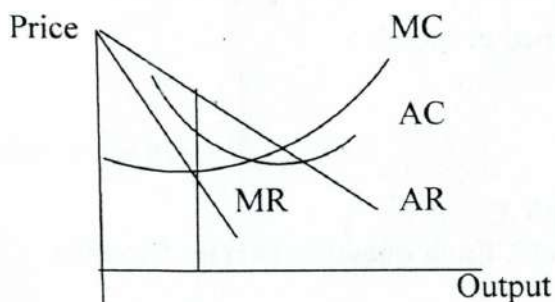
Max. Time: 3 hours

Max. Marks: 80

PART A

Answer all the questions from 1-12. Each question carries ½ marks.

1. Which of the following is an example for implicit cost?
 (a) Wage paid to employees (b) Rent on the building owned by the entrepreneur himself
 (c) Raw material charges sourced from outside (d) None of these
2. What is marginal cost?
 (a) TC/Q (b) TVC/Q (c) $\Delta TC/\Delta Q$ (d) $\Delta TVC/\Delta Q$
3. Homogeneity of products is a feature of which of the following market forms?
 (a) Perfect competition (b) Imperfect competition (c) Both (d) Neither
4. Which of the following economists wrote extensively about monopolistic competition?
 (a) Chamberlain (b) Joan Robinson (c) Both (d) Neither
5. 'Demand under Collusive Oligopoly' is a book written by -----
 (a) Adam Smith (b) Paul M Sweezy (c) David Ricardo (d) Alfred Marshall
6. Which of the following is true about marginal cost curve?
 (a) It always lies below average cost (b) It cuts average cost in its falling portion
 (c) It always lies above average cost (d) It cuts average cost at its minimum.
7. Following diagram shows price-output determination under monopoly. Find out the type of profit/loss the monopolist is enjoying.



- (a) Normal Profit (b) Abnormal profit (c) Loss (d) Cannot be said

8. What is the nature of supply curve of a monopolist?
- (a) Upward sloping from left to right (b) Horizontal straight line
(c) Vertical straight line (d) A unique supply curve does not exist.
9. Price discrimination is a feature of which of the market forms?
- (a) Perfect competition (b) Monopoly
(c) Monopolistic competition (d) Oligopoly
10. Total cost curve is parallel to -----
- (a) Total variable cost (b) Average variable cost
(c) Total fixed cost (d) Average fixed cost
11. Marginal Revenue Productivity is Marginal Physical Product multiplied by
- (a) Price (b) Marginal Cost
(c) Marginal Revenue (d) None of these
12. What is the average cost of production if total cost of producing 10 units of a commodity is Rs.15?
- (a) 0.67 (b) 25 (c) 5 (d) 1.50

(12 x ½ = 6 Marks)

PART B

Answer any ten questions from 13-24. Each question carries 2 marks.

13. Define price discrimination.
14. What is marginal physical product?
15. What is Lerner Index?
16. Define sunk cost.
17. Why a firm under perfect competition earns only normal profit in the long run?
18. Why does the demand curve slope downwards under monopoly?
19. What is a cartel?
20. Differentiate between fixed and variable cost.
21. Define monopoly in terms of cross elasticity of demand.
22. How is long period different from short period?
23. Differentiate between internal and external economies.
24. Name any two sources of monopoly

(10 x 2 = 20 Marks)

PART C

Answer any six questions from 25-32. Each question carries 5 marks.

25. Examine long run price determination under constant cost industry in a perfectly competitive market.
26. Graphically analyse the shutting down point of a firm under perfect competition.

28. Why there is a kink in the demand curve under oligopoly?
29. Explain peak load pricing. What are the objectives of it.
30. Analyse the importance of selling costs under perfect competition, monopoly, monopolistic competition and oligopoly.
31. Bring out the differences between average fixed cost under traditional and modern theories of cost.
32. What are the different factors that cause monopoly?

(6 x 5 = 30 Marks)

PART D

Answer any *two* question from 33-36. Each question carries 12 marks.

33. Compare long run cost curves of traditional and modern theories.
34. Write down the features of perfect competition. Analyse long run equilibrium of a firm under perfect competition.
35. Explain Long run equilibrium of an individual firm under monopolistic competition with special reference to excess capacity. Differentiate group equilibrium from it.
36. Derive the demand curve of a firm for single variable factor under perfect competition and explain how equilibrium price for the factor is determined.

(2 x 12 = 24 Marks)

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE
Second Semester BA Economics Degree Examination, March 2018
BECO2C04 – Mathematics Methods for Economics II
 (2017 Admission onwards)

Max. Time: 1 ½ hours

Max. Marks: 40

PART A -Answer all questions
Multiple Choice questions

Matrix of dimension $n \times 1$ is

- (a) row vector (b) column vector (c) square matrix (d) rectangular matrix

Matrix addition is associative if,

- (a) $A+B=B+A$ (b) $A(B+C)=AB+AC$ (c) $(A+B)+C=A+(B+C)$ (d) $AB=BA$

For a singular matrix, determinant value equals

- (a) Zero (b) One (c) greater than one (d) less than one

If B is the transpose of A, then the value of determinant will be

- (a) zero (b) equal (c) opposite (d) one

$$\lim_{x \rightarrow 1} \frac{x^2-1}{x-1}$$

- (a) 0 (b) 1 (c) ∞ (d) 2

If $y = \log x$, then $\frac{dy}{dx}$ is

- (a) $\log x$ (b) $\frac{1}{x}$ (c) $\frac{1}{x^2}$ (d) $\frac{1}{\log x}$

(6×½=3 Marks)

Part B (Very Short Answer Type Questions)
Answer any Five questions

7. Matrix multiplication with few exceptions is not commutative. Why?
8. Define symmetric matrix. Give an example
9. If the matrix $A = \begin{bmatrix} 2 & 1 \\ 1 & 2 \end{bmatrix}$. Find A^2
10. Define determinant of a matrix. State any two properties.
11. Define Cramer's rule.
12. Distinguish between minor and cofactor
13. Define continuity of a function. State the conditions for continuity
14. If $x^2+y^2=9$ find $\frac{dy}{dx}$

(5×2=10 Marks)

Part C (Short Essay)**Answer any Three questions**

15. Find AB if $A = \begin{bmatrix} 2 & 9 \\ 4 & 6 \\ 7 & 5 \end{bmatrix}$ and $B = \begin{bmatrix} 3 & 1 \\ 8 & 2 \end{bmatrix}$

16. Define rank of a Matrix. Find the rank of

$$A = \begin{bmatrix} -3 & 6 & 2 \\ 1 & 5 & 4 \\ 4 & -8 & 2 \end{bmatrix}$$

17. Distinguish between singular and non singular matrices. Check whether the matrix A is a singular or non singular matrix

$$A = \begin{bmatrix} 5 & 7 & 2 \\ 2 & 3 & 1 \\ 4 & 6 & 2 \end{bmatrix}$$

18. What is implicit differentiation? Find the derivative of $4x^2 - y^3 = 97$

(3×5=15 Marks)**Part D (Essay Questions)****Answer any one of the following questions**

19. Use the matrix inverse method to solve for the following system of linear equations

$$2x_1 + 4x_2 - 3x_3 = 12$$

$$3x_1 - 5x_2 + 2x_3 = 13$$

$$-x_1 + 3x_2 + 2x_3 = 17$$

20. Find the value of the following

(a) $y = (x^2 + 3x - 1)^5$ find $\frac{dy}{dx}$

(b) $y = x \log x$, find $\frac{dy}{dx}$

(c) $y = x^3 + 3x^2 + 9x - 7$, find the fourth derivative

(1×12=12 Marks)