



THE ANSWERS MUST BE ATTEMPTED ON THE ANSWER SHEET PROVIDED

Q.1. Answer the following short questions.

(6x5=30)

- i. What do you mean by 'scarcity' in Microeconomics?**
- ii. What is consumer surplus?**
- iii. Why is marginal cost curve U-shaped?**
- iv. Give two examples of Product Differentiation in Monopolistic Competition.**
- v. List any two applications of derivatives in Microeconomics.**
- vi. What is the difference in Cardinal and Ordinal theory of consumer's behavior?**

Q.2. Answer the following questions.

(3x10=30)

- a. Discuss the Law of Equi-Marginal Utility.**
- b. Show the Market equilibrium with the help of demand and supply curves.**
- c. How is price and output determined under Monopoly in the long run?**