

Vidya Vikas Mandal's

Shree Damodar College of Commerce & Economics, Margao-Goa

BBA(FS), Semester-I (REGULAR & REPEAT) Semester End Assessment, November 2022

Course: BFS CC3 MICROECONOMICS

Duration: 2 Hours

Maximum Marks: 60

*Instructions: Question No. 1 is compulsory**Answer any four questions from Q.2 to Q.7**Start each question on a fresh page**Figures to the right indicate maximum mark***Q.1. Answer any FIVE questions from the following:****(5x4=20 marks)**

- Scarcity is the mother of all economic problem. Explain the statement.
- Macroeconomics studies national economy while microeconomics studies individual variables of the economy. Justify the above statement with appropriate answers.
- Suppose price of a commodity is Rs. 5 and the quantity demanded is 15 units. Suppose the price of that commodity increases to Rs. 6, and as a result quantity demanded decreases to 10 units. Calculate price elasticity of demand.
- A farmer owns a land; he can choose either to plant wheat or cultivate potatoes. Explain the situation & type of cost. Also explain economic cost, social cost, and sunk cost
- Explain four Determinants of supply.
- Price remaining constant, when there is change in other factors of demand, the quantity demanded changes. Elaborate using diagram.

Q.2. In short run, one factor of production is variable while rest are fixed. Explain the statement with suitable law.

(10 Marks)

Q.3. Under perfect competition in short run the firm have three kind of profits. Explain with the help of diagrams.

(10 marks)

Q.4. Illustrate with the help of diagram Law of Returns to Scale and the concept of long run.

(10 Marks)

Q.5. Other things remaining constant, at higher price higher quantity is supplied and vice versa. Explain the law along with its determinants.

(10 Marks)

Q.6. Explain determination of equilibrium price and output of the firm under Monopoly Competition in short run

(10 Marks)

Q.7. What is price discrimination? Explain three types of price discrimination.

(10 Marks)
