

Vidya Vikas Mandal's
Shree Damodar College of Commerce & Economics, Margao-Goa
First Year.B.B.A(F.S), Semester I, 2017
End Semester Examination *April*
MICRO ECONOMICS

Max.Marks :60

Time:2hrs.

*Instructions: All questions are compulsory
Start each question on a fresh page
Figures to right indicate full marks*

1a. Define business economics. Explain the features of business economics. **(6)**

1b. Discuss the features of Mixed economy. **(6)**

OR

1x. Illustrate with the help of the diagram the Law of Supply. **(8)**

1y. Explain the different factors affecting demand . **(4)**

2a. Consumers income increases from Rs 1000 to Rs 1500. The consumer increases his purchases from 20 units to 25 units. Find consumers income elasticity of demand. **(3)**

2b. When market price changes from Rs.30 to Rs.28 the demand expands from 60 units to 80 units. Find arc elasticity of demand. **(3)**

2c. If there is change in the price of apples from Rs.58 to Rs.65 the total supply of apples increases from 100 units to 120 units. Find price elasticity of supply. **(3)**

2d. A firm increases its advertisement expenditure from Rs.20000 to Rs.25000. The sales increased from 10000 units to 12000 units. Find advertising elasticity. **(3)**

3. Answer any three short notes **(4x3)**

- a. Cross Elasticity of demand
- b. Production Function
- c. Features of Monopoly Market
- d. Explicit cost and implicit cost.

4a. Explain with the help of diagram the stages of the Law of Returns to scale. **(12)**

OR

4b. Explain the determination of equilibrium price and output of the Firm under Perfect competition. **(12)**

5a. Discuss the various pricing methods. **(12)**

OR

5y. Illustrate with the help of diagram the phases of business cycles. **(12)**