

Vidya Vikas Mandal's  
**Shree Damodar College of Commerce & Economics, Margao**  
**S.Y.B.C.A SEM III, End Semester Examination, October 2016**  
**INTRODUCTION TO ECONOMICS (BCA-304)**

**Duration: 2 Hours**

**Total Marks: 50**

*Instructions:* 1) All questions are compulsory  
2) Figures to the right indicate full marks.  
3) Begin each question on a new page.

**Q1. Answer the following questions: (1x5)**

1. Define Economics.
2. What is total utility?
3. Define cross elasticity of demand.
4. What are economies of scale?
5. State any two features of perfect competition.

**Q2.Fill in the blanks: (1x5)**

- 1.If with the rise in the price of Pepsi demand for Coke increases, then the two commodities are \_\_\_\_\_.
2. The formula to calculate average product \_\_\_\_\_.
3. If the firm has constant returns to scale and it increases its variable factors by 10 percent, output will also increase by \_\_\_\_\_.
4. In case of inferior goods, the income elasticity of demand is \_\_\_\_\_.
5. The cost incurred by the firm in sales promotion is called as \_\_\_\_\_.

**Q3a.Illustrate with the help of a diagram the Law of Diminishing Utility. (10)**

**OR**

**Q3b.Describe the classification of market on geographical basis. (10)**

**Q4a Graphically Illustrate types of price elasticities of Demand. (10)**

**OR**

**Q4b.Define supply. Explain the determinants of supply. (10)**

**Q5a. Explain the three stages of Law of returns to scale. (10)**

**OR**

**Q5b.Illustrate with the help of the table and diagram the determination of equilibrium price (10)**

**Q6a. Discuss the Loanable Fund Theory of Interest . (10)**

**OR**

**Q6b. Explain with the help of a diagram the Ricardian Theory of Rent. (10)**