

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)