

Vidya Vikas Mandal's  
Shree Damodar College of Commerce & Economics, Margao – Goa  
S.Y.B.C.A, Semester III, End Semester Examination, October 2018  
**INTRODUCTION TO ECONOMICS (BCA304)**

**Time: 2 hrs**

**Max Marks: 50**

- Instructions: 1. All questions are compulsory.  
2. Figures to the right indicate maximum marks.  
3. Start each question on a fresh page*

Q 1 A. Answer the following questions: (1x 5)

- a. What is Positive Economics?
- b. State four assumptions underlying the Law of Demand.
- c. Define Elasticity of Supply.
- d. Define Production Function according to Prof. Leontief.
- e. What are Real Wages?

Q 1 B. Match the following: (1x 5)

A

- i. An Enquiry into the Nature and Causes of Wealth
- ii. Exception to the Law of Demand
- iii. Point Elasticity
- iv. Act of converting inputs into outputs
- v. Rent is due to the original and indestructible powers of the soil.

B

- a. Giffen goods
- b. Production
- c. Adam Smith
- d. David Ricardo
- e. Geometric method
- f. Production Function

Q 2 a. Differentiate between Microeconomics and Macroeconomics. (5)

Q 2 b. Enumerate the features of Oligopoly. (5)

OR

Q 2 x. What is Utility? Explain the concepts of Total Utility and Marginal Utility. (5)

Q 2 y. Diagrammatically illustrate Contraction/Extension in Demand and Increase/Decrease in Demand. (5)

Q 3 a. Explain the Law of Supply. Find out Elasticity of Supply if as a result of an increase of price of rice from Rs.50/- to Rs.60/- per kg, the total supply of rice increased from 900 to 1000 kgs (5)

Q 3 b. When market price changes from Rs.25/- to Rs.35/-, demand contracts from 120 to 100 units. Find out arc elasticity of demand. (5)

OR

Q 3 x. What is Price Elasticity? Diagrammatically explain the five kinds of Price Elasticities of Demand. (10)

Q 4 a. Discuss the Law of Variable Proportions with the help of a neat diagram. (10)

OR

Q 4 x. Explain the term Production Function. Discuss the concepts of Short-run and Long-run Production Function. (10)

Q 5 a. What is Rent? Explain the Ricardian Theory of Rent. (10)

OR

Q 5 x. What are wages? Explain the Subsistence and Standard of Living Theory of Wages. (10)