PRESIDENCY UNIVERSITY

BENGALURU

End - Term Examinations – December 2025
Date: 19 – 12- 2025 **Time:** 09.30am to 12.30pm

School: SOC / SOM (UG)	**Program:** B.com(Gen), B.com(CMA & CA)
Course Code : CBS1015	**Course Name:** Micro Economics
Semester: I	**Max Marks**:100	**Weightage**:50%

CO - Levels	CO1	CO2	CO3	CO4	CO5
Marks	18	28	26	28	-

Instructions:

    (i) Read all questions carefully and answer accordingly.

    (ii) Do not write anything on the question paper other than roll number.

Part A

Answer ALL the Questions. Each question carries 2marks.   **10Q x 2M=20M**

1.	State the types of human wants.	2 Marks	L1	**CO1**
2.	Mention any two classifications of goods.	2 Marks	L1	**CO1**
3.	Define price elasticity of demand.	2 Marks	L1	**CO2**
4.	Outline the meaning of demand curve.	2 Marks	L1	**CO2**
5.	Interpret the concept of producer surplus.	2 Marks	L1	**CO2**
6.	Define the concept of budget line.	2 Marks	L1	**CO3**
7.	State the meaning of budget set.	2 Marks	L1	**CO3**
8.	Define production function.	2 Marks	L1	**CO4**
9.	State any 2 importance of studying cost theory.	2 Marks	L1	**CO4**
10.	Mention 2 assumptions of isoquant.	2 Marks	L1	**CO4**

Part B

Answer ALL the Questions. Each question carries 7 marks.   **5Q x 7M = 35M**

11.	Explain the four factors of production and their economic importance.	07 Marks	L2	CO1
	Or			
12.	Describe the circular flow of economic activity in a two-sector model.	07 Marks	L2	CO1

13.	Explain the classifications of goods with suitable examples.	07 Marks	L2	CO1
	Or			
14.	Describe the economic role of land, labour, capital, and entrepreneurship.	07 Marks	L	CO1

15.	Explain the law of supply with schedule and diagram.	07 Marks	L2	CO2
	Or			
16.	Demand function: Qd = 900 – 40P Supply function: Qs = –300 + 25P 1. Determine equilibrium price using Qd = Qs. 2. Calculate equilibrium quantity.	07 Marks	L3	CO2

17.	Explain the importance and scope of consumer behaviour.	07 Marks	L2	CO3
	Or			
18.	Explain the types of utility with examples.	07 Marks	L2	CO3

19.	List out the features of a monopoly market and explain it.	07 Marks	L2	CO4
	Or			
20.	(see table below)	07 Marks	L3	CO4

20.

Labour (L)	TP
0	0
1	20
2	48
3	78
4	100
5	110

Calculate:
1. Average Product (AP)
2. Marginal Product (MP)

Identify the stage of **Law of Variable Proportions** (Stage I, II, or III).

Part C

Answer any three Questions. Each question carries 15marks　　　　　**3Q x 15M=45M**

21.	Explain a detailed classification of human wants, goods, and services, with features and examples.	**15 Marks**	**L2**	**CO1**

22.	A seller supplies 300 units when the price is ₹40, and 360 units when the price becomes ₹50. 1. Calculate price elasticity of supply. 2. State whether supply is elastic or inelastic. 3. Give economic interpretation.	**15 Marks**	**L3**	**CO2**

23.	Present a full analysis of indifference curve — properties, shapes, assumptions, significance.	**15 Marks**	**L3**	**CO3**

24.	Explain the relationship between Total Product (TP), Average Product (AP), and Marginal Product (MP) along with diagrams and numerical illustrations.	**15 Marks**	**L3**	**CO4**

25.		**15 Marks**	**L3**	**CO4**

Output (Q)	TFC	TVC
0	400	0
10	400	150
20	400	320
30	400	520
40	400	760
50	400	1050

1. Find : TC, AFC, AVC, AC, MC
2. Plot AC & MC curves.
3. Identify the minimum AC and minimum MC output levels.