

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

SET A

**SCHOOL OF COMMERCE
END TERM EXAMINATION - JAN 2024**

Semester : Semester I - 2023

Course Code : BSE2052

Course Name : Fundamentals of Micro Economics

Program : B.Sc. Economics

Date : 18-JAN-2024

Time : 1:00 PM - 4:00 PM

Max Marks : 100

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

PART A

ANSWER ALL THE QUESTIONS

5 X 2M = 10M

1. State the demand function of any product.
(CO2,CO1) [Knowledge]
2. Explain briefly about the Law of Demand"
(CO2) [Knowledge]
3. State the law of diminishing marginal utility.
(CO3) [Knowledge]
4. Define the price elasticity of supply of any product.
(CO4) [Knowledge]
5. Compare normal and inferior goods
(CO5) [Knowledge]

PART B

ANSWER ALL THE QUESTIONS

5 X 10M = 50M

6. Define the price elasticity of supply of any product. Identify the price elasticity of supply for a bakery that produces and sells homemade cupcakes. The bakery's initial price for a dozen cupcakes is INR 10, and they supply 100 dozen cupcakes per week. After some time, they decide to increase the price to INR 12 per dozen cupcakes, and as a result, they increase their weekly supply to 120 dozen cupcakes
(CO2) [Comprehension]

7. Identify the equilibrium price, the values for equilibrium quantity supplied and demanded and outline the market equilibrium graphically, from the given demand and supply function for a commodity as follows:
Quantity Supply (Qs) = - 4 + 8P and Quantity Demand (Qd) = 26 - 2P
(CO2) [Comprehension]
8. Describe the features of the monopoly market structure.
(CO3) [Comprehension]
9. Explain the consumer's equilibrium with the help of indifference curves and budget lines.
(CO4) [Comprehension]
10. State the law of demand and its assumptions. List its exceptions.
(CO5) [Comprehension]

PART C

ANSWER ALL THE QUESTIONS

2 X 20M = 40M

11. Explain the law of variable proportions and the three stages of production using TP, AP, and MP of labour.
(CO2) [Application]
12. Explain Price Consumption Curve and Income Consumption Curve. Draw them graphically
(CO3) [Application]