

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF COMMERCE
MID TERM EXAMINATION - NOV 2023**

Semester : Semester I - 2023

Course Code : BSC2052

Course Name : Sem I - BSC2052 - Fundamentals of Micro Economics

Program : BSE

Date : 3-NOV-2023

Time : 2:00PM - 3:30PM

Max Marks : 50

Weightage : 25%

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 2 = 10M)

1. Define consumers' rationality
(CO1) [Knowledge]
2. State the fundamental difference between the static and dynamic analysis in economics
(CO1) [Knowledge]
3. Define opportunity cost and explain it with the help of an example
(CO1) [Knowledge]
4. State and interpret the demand function
(CO1) [Knowledge]
5. List one positive and normative statements of economics.
(CO1) [Knowledge]

PART B

ANSWER ALL THE QUESTIONS

(2 X 10 = 20M)

6. Define the market equilibrium. Describe how equilibrium prices and quantities (of products) are determined in the free-market structure in case of shortages and surplus.
(CO2) [Comprehension]
7. State the law of demand, its assumptions, and its exceptions
(CO2) [Comprehension]

PART C

ANSWER THE FOLLOWING QUESTION

(1 X 20 = 20M)

8. Define price, income and cross elasticities of demand along with formulae. Describe the five types of demand curve based on the value of price elasticity of demand and show the curves graphically.

(CO2) [Application]