

MID-WESTERN UNIVERSITY  
EXAMINATIONS MANAGEMENT OFFICE  
MAKE-UP EXAMINATION: 2020  
BACHELOR OF BUSINESS STUDIES (BBS)  
SEMESTER-I

Subject: Microeconomics Course Code: MGMT 313  
Full Marks: 60 Time: 3 Hours

*Candidates are required to answer the questions in their own words as far as practicable.*

**GROUP A: VERY SHORT ANSWER QUESTIONS (10X1=10 MARKS)**

*Attempt ALL the questions.*

- Q1. Write any four uses of microeconomics.
- Q2. What is meant by demand function?
- Q3. The price of economics book is increased by 25% resulted to decrease in demand of economics book by 20%. What will be the price elasticity of demand of economics book?
- Q4. Write any two differences between cardinal and ordinal utilities.
- Q5. Define the concept of production.
- Q6. Write the meaning of explicit cost.
- Q7. How does profit calculate? Write the formula.
- Q8. Write the two basic characteristics of monopolistic competition market.
- Q9. What is the fundamental factor which generates profit in innovation theory of profit?
- Q10. Illustrate the money wage with an example.

**GROUP B: SHORT ANSWER QUESTIONS (3 X 8 = 24 MARKS)**

*Attempt any THREE questions.*

- Q11. Explain the types of microeconomics with appropriate diagrams.[8]
- Q12. What are the determinants of demand? [8]

- Q13. How is price elasticity of demand determined according to total outlay method? Discuss. [8]
- Q14. Discuss the wage fund theory of wages. [8]
- Q15. State the different concepts of short run total cost with appropriate schedule and figure. [8]

**GROUP C: LONG ANSWER QUESTIONS (2 X 13 = 26 MARKS)**

*Attempt any TWO Questions.*

- Q16. Define indifference curve with its proprieties. Explain the principle of the marginal rate of substitution (MRS<sub>xy</sub>). [6+7]
- Q17. Explain the production function with one variable input. In which sector does it apply? Illustrate with appropriate example. [8+2+3]
- Q18. Distinguish between perfect competition and Monopolistic competition market structure. How price and output are determined under perfect competition market in short run? [5+8]

