

Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND
ECONOMICS, PONDA – GOA
B.C.A. (SEMESTER – III) EXAMINATION, OCTOBER 2018
INTRODUCTION TO ECONOMICS

DURATION: 2 Hours

MARKS: 50

INSTRUCTIONS: 1. All questions are compulsory. However internal choice is available.
2. Figures to the right indicate full marks.
3. Draw neat and labelled diagram wherever necessary.

- Q. 1.** Briefly answer **all** the following questions: (5x2= 10)
1. What is the law of scarcity?
 2. State any four assumptions of the law of demand.
 3. When the price of commodity X was Rs. 10 per unit, people consumed 3000 units. With a fall in price to Rs. 9, they consumed 3,150 units. State the formula and measure the elasticity of demand for X.
 4. State any four features of the production function.
 5. What are real wages?
- Q. 2.** A. Write a note on Perfect competition as a market structure. (6)
B. With a suitable utility schedule explain what is total and marginal utility. (4)
- OR**
- Q. 2.** X. Distinguish between positive and normative economics. (6)
Y. Explain any two exceptions to the law of demand. (4)
- Q. 3.** A. Diagrammatically explain the concept of market equilibrium. (6)
B. Write a short note on Arc elasticity of demand. (4)
- OR**
- Q. 3.** X. Explain changes in market equilibrium due to change in demand when supply remains constant. (6)
Y. Explain any two degrees of Income elasticity of demand. (4)
- Q. 4.** A. Diagrammatically explain perfectly elastic, perfectly inelastic and unitary price elastic demand. (6)
B. Explain any four points on the importance of production function. (4)
- OR**
- Q. 4.** X. Write a note on Law of Variable Proportions. (6)
Y. Write a short note on cross elasticity of demand. (4)
- Q. 5.** A. Explain the Modern theory of rent. (6)
B. Explain any two factors influencing real wages. (4)
- OR**
- Q. 5.** X. Diagrammatically explain the determination of interest rates. (6)
Y. Write a short note on abstinence theory of interest. (4)