

FIRST SEMESTER FYUGP EXAMINATION NOVEMBER 2025**(Regular/Improvement/Supplementary)****BBA INTERNATIONAL BUSINESS****MAJOR****BIB1CJ103: PRINCIPLES OF MICRO ECONOMICS****Time: 2 Hrs. M: Mark BL: Bloom's Taxonomy Level (1 to 6) CO: Course Outcome Maximum Marks: 70**

Section A: Answer all questions. Each carries 3 marks.				
Ceiling: 24 Marks				
No.	Question	M	BL	CO
1.	Define scarcity.	3	1	CO1
2.	What is meant by income elasticity of demand?	3	3	CO2
3.	State the factors that can affect consumer surplus.	3	1	CO1
4.	Explain the term market efficiency.	3	3	CO2
5.	Define the conditions of optimization of the consumer.	3	1	CO1
6.	What is the Hicksian decomposition of price effect?	3	4	CO3
7.	Comment on isocost line.	3	2	CO1 CO2
8.	What is Variable cost?	3	1	CO1
9.	Sate the meaning of an expansion path in production theory.	3	3	CO2
10.	What is a price taker firm?	3	1	CO1
Section B: Answer all questions. Each carries 6 marks.				
Ceiling: 36 Marks				
No.	Question	M	BL	CO
11.	Describe the law of demand and its exceptions.	6	2	CO1
12.	What is producer surplus and how does it affect the efficiency of markets?	6	4	CO3
13.	Explain the difference between cardinal utility and ordinal utility.	6	2	CO1
14.	Analyse how a consumer reaches equilibrium using indifference curve analysis.	6	4	CO3
15.	Explain the price consumption curve and how it helps derive the demand curve for normal goods.	6	3	CO2
16.	Discuss how a firm's TFC, TVC and TC with illustrations.	6	4	CO3
17.	Define monopolistic competition and list its main characteristics.	6	2	CO1
18.	What are selling costs in monopolistic competition, and why are they important for businesses?	6	3	CO2
Section C: Answer any one question. Each carries 10 marks. (1 x 10 = 10 Marks)				
No.	Question	M	BL	CO
19.	Explain returns to scale and how they are represented using isoquants. Discuss the implications of increasing, constant, and decreasing returns.	10	5	CO1 CO5
20.	Explain the characteristics of perfect competition. How is price determined in a perfectly competitive market?	10	4	CO1 CO4