

**BIRLA INSTITUTE OF TECHNOLOGY, MESRA, RANCHI
(END SEMESTER EXAMINATION)**

**CLASS: B.COM
BRANCH: B.COM**

**SEMESTER : I
SESSION : MO/2025**

SUBJECT: BF25101 MICROECONOMICS

TIME: 3 Hours

FULL MARKS: 50

INSTRUCTIONS:

1. The question paper contains 5 questions each of 10 marks and total 50 marks.
 2. Attempt all questions.
 3. The missing data, if any, may be assumed suitably.
 4. Before attempting the question paper, be sure that you have got the correct question paper.
 5. Tables/Data hand book/Graph paper etc. to be supplied to the candidates in the examination hall.
-

		CO	BL
Q.1(a)	Explain with the help of suitable examples the importance and applicability of economics in business decision making.	[5] 1	2
Q.1(b)	Differentiate between microeconomics and macroeconomics with suitable examples.	[5] 1	4
Q.2(a)	Explain the Law of Demand and discuss the exceptions to the Law of Demand, giving suitable examples.	[5] 2	2
Q.2(b)	Define Indifference Curves and discuss their properties. Explain Consumer's Equilibrium with diagram.	[5] 2	1,2
Q.3(a)	Explain the Law of Variable Proportions and discuss its three stages with a suitable diagram.	[5] 3	2
Q.3(b)	Explain the Law of Returns to Scale. Discuss Economies and Diseconomies of Scale.	[5] 3	2
Q.4(a)	Define Cost and explain the types of Cost using relevant examples.	[5] 4	2
Q.4(b)	Explain the behavior of costs in the long run. Why is the long-run cost curve called Envelope Curve? Discuss.	[5] 4	2
Q.5(a)	Explain the different types of market structures and highlight their key distinguishing features.	[5] 5	2
Q.5(b)	Describe the characteristics of monopolistic competition and explain how firms differentiate their products.	[5] 5	2

::::::19/11/2025::::::E