

IMBA in ITF (NEP) Sem.-3 Examination

MDC-ITF-234T

Micro Economics

Time : 2.00 Hours]

December-2025

[Max.Marks : 50

Instructions:

- **Figures to the right indicate Full Marks.**
- **Do not write anything on the question paper.**
- **Simple calculator is allowed. Do not use a scientific calculator.**

Q.1	Elaborate the concept of elasticity of demand in detail and explain its types with suitable examples. OR Describe the concept of the circular flow of income and expenditure with the help of a neat diagram. Explain its significance in an economy.	10																		
Q.2	Explain the concept of Law of demand with suitable example. OR Explain the concept of demand and draw the diagram. <table border="1"> <tbody> <tr> <td>Quantity Demanded</td> <td>70</td> <td>80</td> <td>90</td> <td>100</td> <td>120</td> </tr> <tr> <td>Price</td> <td>1000</td> <td>900</td> <td>800</td> <td>700</td> <td>600</td> </tr> </tbody> </table>	Quantity Demanded	70	80	90	100	120	Price	1000	900	800	700	600	10						
Quantity Demanded	70	80	90	100	120															
Price	1000	900	800	700	600															
Q.3	Explain in detail the Ten Principles of Economics as proposed by Gregory Mankiw, highlighting how each principle relates to real-life economic decision-making. OR Explain the concept of supply and draw the diagram. <table border="1"> <tbody> <tr> <td>Quantity supply</td> <td>10</td> <td>20</td> <td>30</td> <td>40</td> <td>50</td> </tr> <tr> <td>Price</td> <td>100</td> <td>200</td> <td>300</td> <td>400</td> <td>500</td> </tr> </tbody> </table>	Quantity supply	10	20	30	40	50	Price	100	200	300	400	500	10						
Quantity supply	10	20	30	40	50															
Price	100	200	300	400	500															
Q.4	Explain the concept of Consumers' Surplus. How is it measured? Illustrate your answer with a suitable diagram and example. OR Solve example: Find TC, AFC, AVC, MVC, MTC <table border="1"> <tbody> <tr> <td>Quantity produced</td> <td>7</td> <td>10</td> <td>12</td> <td>15</td> <td>18</td> </tr> <tr> <td>Fixed cost</td> <td>50</td> <td>50</td> <td>50</td> <td>50</td> <td>50</td> </tr> <tr> <td>Variable cost</td> <td>100</td> <td>200</td> <td>300</td> <td>500</td> <td>700</td> </tr> </tbody> </table>	Quantity produced	7	10	12	15	18	Fixed cost	50	50	50	50	50	Variable cost	100	200	300	500	700	10
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Variable cost	100	200	300	500	700															

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Q.5	(Attempt any 5 out of 7) – Each carry 2 marks 1. Explicit cost 2. Variable cost 3. Opportunity cost 4. AMC (Average Marginal cost) 5. Implicit cost 6. Law of Constant Returns 7. Long Run cost	10
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