

**CENTRE FOR DISTANCE AND ONLINE EDUCATION
SRI SRI UNIVERSITY, CUTTACK**

**BACHELOR OF BUSINESS ADMINISTRATION
TUTOR MARKED ASSIGNMENT**

Course Code: BBC 106

Academic Year: 2025-26

Course Name: MICRO ECONOMICS

Session: August 2025

Semester: 1st

Total Marks: 100

A. Answer any eight questions (essay type). Answer in about 350-500 words each.

(10 X 8 = 80)

1. Analyse the Price Consumption Curve (PCC). How does it help in deriving the individual demand curve?
2. Explain the concepts of Income Effect and Substitution Effect of a price change. Illustrate your answer with suitable diagrams.
3. Define elasticity of demand. Explain Price Elasticity, Income Elasticity, and Cross Elasticity of Demand, highlighting their managerial relevance.
4. Explain the Law of Variable Proportions. Discuss the three stages of production with reference to Average Product and Marginal Product curves.
5. Explain cost concepts in economics. Distinguish between explicit cost, implicit cost, and opportunity cost, and explain their relevance in decision-making.
6. Describe the derivation of short-run and long-run cost curves. Explain economies and diseconomies of scale.
7. Explain firm equilibrium under Perfect Competition in the short run and long run. Use appropriate diagrams.
8. Discuss monopoly equilibrium in the short run and long run. Explain the measurement of monopoly power and the rule of thumb for pricing.
9. Compare Perfect Competition and Monopoly. Explain the social costs of monopoly, including deadweight loss.
10. Analyse price and output determination under Monopolistic Competition and Oligopoly. Highlight their key features and differences.

B. Write short notes on any four. Answer in about 150-200 words each.

(5 X 4 = 20)

1. Marginal Revenue and Price Elasticity of Demand
2. Isoquants and Isocost Lines
3. Returns to Scale
4. Economies of Scale
5. Cross Elasticity of Demand
6. Marginal Rate of Technical Substitution (MRTS)