

END TERM EXAMINATION

FIRST SEMESTER [BBA] DECEMBER-2015

Paper Code: BBA-103

Subject: Business Economics –I

BBA(B&I) 103

BBA(TTM) -103

BBA(MOM)-103

Time : 3 Hours

Maximum Marks :75

Note: Attempt any five questions including Q.No. 1 which is compulsory.

- Q1. Explain briefly **any five** from the following: **(3x5=15)**
- a) Time Value of money
 - b) Marginalism and Incrementalism
 - c) Opportunity Cost
 - d) Cross Price Elasticity of demand
 - e) Fixed and Variable factors
 - f) Production and Production Function
 - g) Private and Social Cost
 - h) Return and Profit
- Q2. a) Define and differentiate between economics and business economics. **(7)**
- b) What is the nature and scope of business economics? **(8)**
- Q3. What is meant by consumer equilibrium? Define the property of indifference curves and show the equilibrium of consumer with indifference curve. **(15)**
- Q4. What is the elasticity of demand? Define the degree and methods of measuring the elasticity of demand. **(15)**
- Q5. What are the three stages of Production? Graphically identify the stages of Production in which a firm will produce to maximize its profit. **(15)**
- Q6. Explain the three stages of law of returns to scale through the use of Isoquants. **(15)**
- Q7. a) Show the relationship between MC and AC and why various cost curves are 'U' shaped? **(8)**
- b) Define the modern theory of cost in short run and long run. **(7)**
- Q8. What is the price discrimination? How price is determined under it? Is price discrimination useful to society? **(15)**