

S.D.E.
B.B.A. (2006 COURSE) SEM- I : WINTER - 2017
SUBJECT : BUSINESS ECONOMICS

Day : **Wednesday**
Date : **13/12/2017**

W-2017-4092

Time : **10.00 AM TO 1.00 PM**
Max. Marks : 80

N.B.:

- 1) Attempt **ANY FIVE** questions from Section – I and attempt **ANY TWO** questions from Section – II.
 - 2) Answer to both the **SECTION** should be written in **SEPARATE** answer books.
 - 3) Draw suitable diagram **WHEREVER** necessary.
 - 4) Figures to the right indicate **FULL** marks.
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SECTION - I

- Q.1** Define Microeconomics. Explain its subject matter. [10]
- Q.2** Define Price Elasticity of Demand and explain its types. [10]
- Q.3** What is Production Function? Why negative Returns to a factor occur? [10]
- Q.4** Distinguish between Fixed Cost and Variable Cost. Give examples. [10]
- Q.5** What is the meaning of Increase and Decrease in Demand? [10]
- Q.6** Explain the concept of Opportunity Cost with examples. [10]
- Q.7** Write short notes on **ANY TWO** of the following: [10]
- a) Central problems of an economy
 - b) Determinants of Demand
 - c) Features of Perfect Competition

SECTION - II

- Q.8** Show how Equilibrium price is determined under Perfect Competition with the help of Demand and Supply curves. [15]
- Q.9** Give the differences between absolute and relative factor prices. Point out the effects on internal and international specialization. [15]
- Q.10** Explain the terms: [15]
- a) Producer's Equilibrium
 - b) Marginal Cost
 - c) Shifts in Supply Curve
 - d) Production Possibility Curve

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