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 Protection? 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)**

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