

Total No. of Questions : 9 ] [ Total No. of Pages : 3

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**B.B.A. 1st Semester  
Examination, March-2021  
(New Scheme 2014-17)**

**MICRO ECONOMICS FOR BUSINESS DECISIONS  
Paper-BBAN-106**

*Time : Three Hours ] [ Maximum Marks : 80*

*Before answering the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard, will be entertained after examination.*

**Note :-** Attempt compulsory question No. 1 from (Section-A) and four questions from Section-B (one question from each Unit). All questions carry equal marks.

**Section-A**

1. Write short notes on the following :

(a) Nature of Micro Economics

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- (b) Meaning and usefulness of price elasticity
- (c) Production function
- (d) Internal economies of scale
- (e) Features of monopoly
- (f) Benefits of price discrimination
- (g) Marginal productivity
- (h) Meaning of quasi-rent

**Section-B**

**Unit-I**

- 2/ Discuss the subject-matter of micro economics and highlight its importance for a business organisation. <https://www.mdustudy.com>
- 3. Explain the meaning and properties of indifference curves. In what ways is indifference curve approach superior to Marshallian utility approach ?

**Unit-II**

- 4. Explain and illustrate the law of variable proportion using diagram. What are the assumption of this law ?

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5. Which factors affect the size of a firm ? How is the optimum size of a firm determined ? Is there any relationship between the size and profitability of a firm ?

### Unit-III

6. What are the features of perfect competition ? How can an individual firm attain equilibrium under the conditions of perfect competition ?
7. What is product differentiation ? How are products differentiated under monopolistic competition ? What are the advantages and disadvantages of price differentiation ?

### Unit-IV

8. Write a detailed note on marginal productivity theory. Why is it considered superior to other theories ?
9. Write notes on the following :
- (a) Ricardian theory of rent
  - (b) Theories of interest