

Total No. of Questions : 6]

SEAT No. :

P3811

[Total No. of Pages : 3

[5616]-1004

B.B.A. (Semester - I)
BUSINESS ECONOMICS (MICRO)
(CBCS 2019 Pattern)

Time : 3 Hours]

[Max. Marks :70

Instructions to the candidates:

- 1) *Question no. 1 and 6 are compulsory.*
- 2) *Write any 3 questions from question No. 2 to 5.*
- 3) *Draw neat and well labelled diagram when ever necessary.*
- 4) *Figures to the right indicate full marks.*

Q1) Answer the following questions as per instructions given : **[20]**

A) Choose the correct answer from the option given below (any 7): **[7]**

- a) Demand is the function of _____
 - i) cost
 - ii) price
 - iii) product
 - iv) firm
- b) Total revenue minus total cost (TR-TC) is equal to
 - i) Average cost
 - ii) Profit
 - iii) Net cost
 - iv) Marginal Revenue
- c) In Economics the central problem is
 - i) Allocation
 - ii) Production
 - iii) Money
 - iv) Scarcity
- d) A situation in which a number of competitive firm relatively less in known as
 - i) oligopoly
 - ii) monopolistic competition
 - iii) perfect competition
 - iv) Duopoly
- e) Which of the following is not determinant of a consumer demand for commodity
 - i) Price related to other goods
 - ii) Taste
 - iii) Income
 - iv) Population

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- f) Which of the following falls under micro economics
- National savings and investment
 - Individual demand
 - National Income
 - General price level
- g) Indian Economy is the example of
- Mixed economy
 - Socialist economy
 - None of these
 - Capitalist economy
- h) Economics is a _____ science which deals with human wants and their satisfaction
- political
 - Corporate
 - Social
 - Cultural
- i) Which types of competition leads to exploitation of consumer
- Monopoly
 - Monopolistic competition
 - Perfect competition
 - Deopoly
- j) Normally the demand curve will have the shape
- horizontal
 - upward slopping
 - Vertical
 - downward slopping
- B) Fill in the blanks (any seven) [7]
- Firms in industry that produce differentiated product in _____ market.
 - Price discrimination only happens in _____.
 - Under _____ market condition firms makes super normal profit in long run.
 - If the price of goods increases then demand for the goods will _____.
 - Price of product falls by 20% and its demand raised by 60% the elasticity of demand _____.
 - The brance of economic theory, that deals with the problem of allocation of resources is _____.
 - Average revenue = marginal Revenue find in _____ market.
 - The market where only one sellar is exist called _____.
 - The total cost is equal to total fixed plus total _____ cost.
 - According to law of demand, the demand is depend on _____.

- C) Write true or false from the following statements (any six) : [6]
- a) Average revenue is the additional revenue of output.
 - b) Normally the slope of supply curve is always downward sloped.
 - c) Economics is not a social science.
 - d) The cost of one thing in terms of the alternative given up is called opportunity cost.
 - e) In a market economy all the economic decisions are determined by firms.
 - f) All businesses seek to make a profit.
 - g) $AR \neq MR$ in case of monopolistic competition.
 - h) Total Revenue is directly sum of marginal Revenue.

Q2) Explain in detail the central problems of Economics. [10]

Q3) Define the law of supply. Explain determinants of supply. [10]

Q4) What is Income elasticity of Demand? Explain the types of Income elasticity of Demand. [10]

Q5) Define Monopolistic competition? Explain price and output determination in Monopolistic competition. [10]

Q6) Write a short note (any four). [20]

- a) Features of Duopoly.
- b) Importance of Revenue.
- c) Determinants of Demand.
- d) Concept of total cost, Average cost and marginal cost.
- e) Price elasticity of demand.
- f) Circular flow of economy.

