

Total No. of Questions:3]

SEAT No. :

[Total No. of Pages : 3

F.Y. B.B.A
104: BUSINESS ECONOMICS (MICRO)
(2019 Pattern) (Semester - I)

Time : 2½ Hours]

[Max. Marks : 70

Instructions to the candidates:

- 1) *All questions are compulsory.*
- 2) *Figures to the right indicate full marks.*

Q1) A) Fill in the blanks (Attempt any 5 out of 6) : **[5]**

- a) Micro Economics theory deals with _____.
 - i) Economic behaviour of individual economic decision making units.
 - ii) Economy as a whole
 - iii) Trade Relations
 - iv) Economic growth of the society
- b) 'Principles of economics' this book is written by _____.
 - i) Adam Smith
 - ii) David Ricardo
 - iii) Alfred Marshal
 - iv) J. M. Keynes
- c) _____ refers to what an input could earn in its next best alternative job.
 - i) Direct cost
 - ii) Marginal Cost
 - iii) Opportunity Cost
 - iv) Total cost

P.T.O.

d) Equilibrium price is determined when _____.

- i) Demand > Supply
- ii) Supply > Demand
- iii) Supply = Demand
- iv) Demand \neq Supply

e) _____ is associated with the Duopoly Market.

- i) Two sellers
- ii) Free Entry and Exit
- iii) Absence of Government
- iv) All of these

f) _____ it is the form of the market in which the any seller of a commodity has fully control over the prices.

- i) Monopoly
- ii) Pure Monopoly
- iii) Simple Monopoly
- iv) All of these

B) Match the following :

[5]

- | | |
|--------------------------|--------------------------------|
| a) Perfect Competition | i) Studies individual Behavior |
| b) Monopoly | ii) Price Taker |
| c) $AFC =$ | iii) Envelope Curve |
| d) Micro Economics | iv) TFC/Production |
| e) Long Run Average Cost | v) control over price |

C) True or False (Attempt any 4 out of 5) :

[4]

- a) Average cost is defined as total cost multiplied by total output.
- b) Degree of responsiveness of demand to changes in Income is known as Price elasticity
- c) Monopolist is a sole producer in a Monopoly.
- d) Kinked Demand Curve is a concept of oligopoly
- e) Market will be deficit when Supply = Demand

Q2) Short Answer (Attempt any 3 out of 4) :

[24]

- a) Explain the concept and Importance Micro economics.
- b) State the concept of cost and different types of cost.
- c) Explain the law of Demand and determinants of Demand.
- d) Explain the methods of calculating the Revenue.

Q3) Long Answer (Attempt Any 2 out of 4) :

[32]

- a) Explain the various forms of Economy. Explain the central problems of Economy.
- b) What is meant by demand? Explain in detail the types of Elasticity of Demand.
- c) Explain the different types of Revenue and explain the Interrelationship between Marginal, Total and Average Revenue.
- d) State the characteristics of Perfect Competition and explain the short run equilibrium of firm under Perfect Competition.

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