

BBA-03

December - Examination 2015

BBA - Ist Year Examination**Business Economics****Paper - BBA-03****Time : 3 Hours]****[Max. Marks :- 70**

Note: The question paper is divided into three sections A, B and C. Write answers as per given instructions.

Section - A

7 x 2 = 14

(Very Short Answer Type Questions)

Note: Answer all 7 questions. As per the nature of the questions you delimit your answer in one sentence upto 30 word. Each question carries 2 marks.

- 1) (i) What is market economy?
- (ii) Define indifference curve.
- (iii) What do you meant by consumer's surplus?
- (iv) Define law of diminishing returns.
- (v) What is imperfect competition?
- (vi) Define oligopoly.
- (vii) How net profit is calculated?

Section - B

4 x 7 = 28

(Short Answer Type Questions)

Note: Answer any 4 questions. Each answer should not exceed 200 words. Each question carries 7 marks.

- 2) Describe relationship between business economics and management.
- 3) Explain the law of equi-marginal utility.
- 4) Describe price and income effect with the help of indifference curve.
- 5) Define cost. What is the concept of opportunity cost.
- 6) Describe characteristics of national income.
- 7) Discuss the concept of average productivity.
- 8) Explain assumptions of Ricardian theory of rent.
- 9) Describe methods of wage payment.

Section - C

2 x 14 = 28

(Long Answer Type Questions)

Note: Answer any 2 questions. Each answer should not exceed 500 words. Each question carries 14 marks.

- 10) Define business economics. Describe the characteristics and nature of business economics.
- 11) Explain returns to scale and its stages using suitable diagram.
- 12) Discuss price and output determination under oligopoly.
- 13) "Profit are caused by innovation and disappear by limitation". Elucidate this statement.
