

**BBA-03**

December - Examination 2019

**BBA Pt. I 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 × 2 = 14****(Very Short Answer Questions)**

**Note:** Answer **all** questions. As per the nature of the question delimit your answer in one word, one sentence or maximum upto 30 words. Each question carries 2 marks.

1. i. Define Micro economics.
- ii. What is Demand?
- iii. Define Average cost.
- iv. Define Monopoly.
- v. What is Market?
- vi. What is Rent?
- vii. Define NNP.

**Section - B** $4 \times 7 = 28$ **(Short Answer Questions)**

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

2. Give characteristics of business economics.
3. How you will measure consumers surplus?
4. Describe factors affecting supply function.
5. Give the characteristics of monopoly.
6. Explain the law of variable proportions.
7. Explain modern theory of rent.
8. Critically explain the classical theory of interest.
9. What is new innovation theory of profit?

**Section - C** $2 \times 14 = 28$ **(Long Answer Questions)**

**Note:** Answer **any two** questions. You have to delimit your each answer maximum upto 500 words. Each question carries 14 marks.

10. What do you understand by law of diminishing marginal utility? Describe its importance.
11. Differentiate between average cost and marginal cost. What are their importance in the determination of prices?
12. What is perfect competition? How you will determined prices in perfect competition.
13. Define wages. How the rates of wages are determined?