

Roll No.

Subject Code—2162

B.B.A. (First Year) EXAMINATION

(New Scheme)

BBA-103

BUSINESS ECONOMICS

Time : 3 Hours

Maximum Marks : 100

Note : Attempt any *Five* questions. All questions carry equal marks.

1. Define Business Economics. How the nature and scope of business economics is defined in the context of functions of business ?
2. What are the properties of indifference curve ? How is the consumer equilibrium arrived by indifference curve approach ?
3. Illustrate the concept of elasticity of demand. Why is the price elasticity of demand negative and income elasticity of demand is positive ? Explain it with diagram.

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4. What are the characteristics of perfect competition ? How is the price determined in the perfect competition ? Why is perfect competition more of an imaginary market structure ?
5. Critically examine the law of production which deals with the change of one variable of production, while other factors of production are stationary. Explain it with diagram and suitable example.
6. Explain the concept of Average Revenue, Marginal Revenue and Total Revenue. How do these curves help to understand elasticity of demand ?
7. Write short notes on the following :
 - (a) Revealed Preference Theory
 - (b) Oligopoly
 - (c) Consumer Surplus.
8. Elaborate the concept of Break-even Analysis. Explain the loss and profit zones under B.E.A., through diagram. What is the relevance of B.E.A. for a manager ?

9. How is the price discrimination possible under monopoly ? How is the price discrimination applied by the companies and government ?
10. Critically evaluate the risk and uncertainty involved into different areas of investment. What factors should be considered by an investor while taking investment decisions ?