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Total No. of Pages : 02

Total No. of Questions : 09

**B.Sc.(Business Economics) (BBE) (2015 to 2017) (Sem.-1)****MICROECONOMICS-I****Subject Code : BBE-102****M.Code : 72692****Time : 3 Hrs.****Max. Marks : 60****INSTRUCTIONS TO CANDIDATES :**

1. **SECTION-A is COMPULSORY** consisting of **TEN** questions carrying **TWO** marks each.
2. **SECTION-B** consists of **FOUR** Sub-sections : Units-I, II, III & IV.
3. Each Sub-section contains **TWO** questions each, carrying **TEN** marks each.
4. Student has to attempt any **ONE** question from each Sub-section.

**SECTION-A****1. Write note on the following :**

- a) Define micro economics.
- b) Define utility.
- c) Define price elasticity of demand.
- d) What is budget line?
- e) What is planning curve?
- f) What are the assumptions of consumer's equilibrium in case of indifference curve analysis?
- g) What is marginal cost pricing?
- h) What are the features of monopolistic competition?
- i) Distinguish between firm and industry.
- j) Define quasi-rent.

## SECTION-B

### UNIT-I

2. Discuss the law of diminishing marginal utility. What are the main exceptions of the law?
3. What are the central problems of an economy?

### UNIT-II

4. What is the law of demand? What are the main reasons for negative slope of the demand curve?
5. Discuss the relationship between average revenue, marginal revenue and total revenue.

### UNIT-III

6. Describe short run cost curves with the help of diagrams.
7. Explain what are internal and external economies of scale?

### UNIT-IV

8. Discuss equilibrium of firm under perfect competition in short run.
9. Explain what loanable funds theory of rate of interest is.

**NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.**