Code No. 5003

FACULTY OF MANAGEMENT

B.B.A. I – Semester (CBCS) Examination, December 2017

Subject: Business Economics

Course No – 106 – BB

Time: 3 Hours Max. Marks: 80

Note: Answer all the questions.

PART – A (5x4 = 20 Marks)
[Short Answer Type]

1 Answer any five of the following questions.
a) Principle of time perspective
b) Demand function
c) Returns to scale
d) Sunk costs
e) Elasticity of supply
f) Average product
g) Oligopoly
h) Price discrimination

PART – B (5x12 = 60 Marks)
(Essay Answer Type)

2 a) Define 'Managerial Economics'. Describe its scope, importance and practical significance.

OR

b) Write short notes on
a) Discounting
b) Equi-marginal principle.

3 a) What are the determinants of demand for durable consumer goods?

OR

b) What is law of supply? Discuss exceptions to law of supply.

4 a) What is meant by production? Explain the concept of production function by taking a single product.

OR

b) Explain the laws of return to scale.

5 a) Derive the long run cost curve of a firm and explain about its U-shape.

OR

b) Explain internal economies of scale.

a) What is meant by monopoly price discrimination? State the conditions for price discrimination.

OR

b) What is Oligopoly? Explain price rigidity under oligopoly with the help of kinked demand curve analysis.

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