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Total No. of Pages : 02

Total No. of Questions : 09

**B.Sc. Business Economics(BBE) (2015 to 2017) (Sem.-3)****MICRO ECONOMICS-II**

Subject Code : BBE-301

Paper ID : [74194]

Time : 3 Hrs.

Max. Marks : 60

**INSTRUCTIONS TO CANDIDATES :**

1. SECTION-A is COMPULSORY carrying TWENTY marks.
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 ONE question from each Unit.

**SECTION-A****1. Write briefly :**

- (a) Define Resource Market.
- (b) What is a Market Demand?
- (c) Define Producer Surplus.
- (d) What is the impact of the government on social welfare?
- (e) What is Prisoner's dilemma game?
- (f) What is the concept of Nash equilibrium?
- (g) What are non-tariff barriers?
- (h) What are Positive Externalities?
- (i) Define Public Goods.
- (j) Define the term asymmetric information.

## **SECTION-B**

### **UNIT-I**

2. Discuss what are the factors that determine the supply in a commodity market?
3. What is Consumer Surplus? How is it measured?

### **UNIT-II**

4. What is the meaning of Game theory? Discuss what is the effect of game theory on the entrepreneur?
5. What is Neumann Morgenstern theory of game? On what grounds it has been criticized?

### **UNIT-III**

6. Explain different types of trade barriers.
7. What is the role of the government in regulation of trade barriers?

### **UNIT-IV**

8. What do you mean by market failure? Discuss what are the main causes of market failure?
9. Explain what kind of markets exhibit asymmetric information.