

Total No. of Pages : 02

Total No. of Questions : 09

BBA (2013 to 2017)/B.SIM/BRDM (2014 & Onwards)
(Sem.-1)

MICROECONOMICS
Subject Code : BBA-102
Paper ID : [C1122]

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTION TO CANDIDATES :

1. **SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **SECTIONS-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. Answer briefly :**
- a) Incremental principle contribution.
 - b) Opportunity cost.
 - c) Distinguish between Cardinal & Ordinal Utility.
 - d) Inferior Goods.
 - e) Why MR is less than AR for a monopoly firm?
 - f) Optimal input combination.
 - g) What is Sunk Cost? Is it identical with total fixed cost?
 - h) Lovable fund theory.
 - i) Perfect Competition.
 - j) Group Equilibrium.

SECTION-B

UNIT-I

2. What is consumer equilibrium? Explain consumer equilibrium with the help of utility analysis.
3. Explain the income effect, price effect & substitution effect with the help of indifference curve.

UNIT-II

4. What is demand curve? Why does a demand curve slope downwards from left to right? Can demand curve slope upwards to the right?
5. What do you mean by price elasticity of demand? Explain total expenditure and revenue method of measuring price elasticity of demand.

UNIT-III

6. Distinguish between external & internal economies and discuss the relation of these economies with the law of increasing returns.
7. Why is U-shaped of long run average cost less pronounced than that of the short run average cost curve?

UNIT-IV

8. What are the selling costs? How do they influence the equilibrium of a firm operating under the conditions of monopolistic conditions?
9. What do you mean by factors of production? Explain marginal productivity theory and modern theory of distribution.