

(i) Printed Pages : 3]

Roll No.

(ii) Questions : 9]

Sub. Code :

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Exam. Code :

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**Bachelor of Commerce 1st Semester
Examination**

1127

BUSINESS ECONOMICS-I

Paper : BCM-104

Time : 3 Hours]

[Max. Marks : 80

Note :- Question No. 1 is compulsory. Attempt *four* questions from Unit-I and Unit-II, selecting not more than *two* questions from each Unit. Each question carries 15 marks.

1. Attempt any *four* questions. Each question carries 5 marks :

- (i) Define cardinal concept of utility.
- (ii) What is income effect ? Discuss.

NA-101

(1)

Turn Over

- (iii) Explain the importance of demand forecasting.
- (iv) Brief out the law of returns to scale
- (v) Explain the relationship between average cost and marginal cost.
- (vi) Discuss the Kinky demand curve analysis 4×5=20

Unit-I

- 2. State and explain the Law of Diminishing Marginal Utility. Give its importance and limitations. 15
- 3. What is an indifference curve ? Explain the consumer's equilibrium with the help of indifference curve analysis. 15
- 4. Define demand. Why does demand curve of a normal good slope downward from left to right ? 15
- 5. What do you understand by elasticity of demand ? Explain the factors which determine the elasticity of demand. 15

Unit-II

6. Explain the law of variable proportions. Discuss the various stages of this law with the help of a table and diagram. 15
7. Discuss the various concepts of cost curves. Why is long-run cost curve flatter than the short-run cost curve ? 15
8. What do you mean by monopolistic competition ? Explain the equilibrium of a firm under monopolistic competition. 15
9. What is an oligopoly ? Explain the price leadership model of oligopoly. 15