

Seat No.	
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**B.B.A. (Semester - I) (New) (CBCS) Examination Oct/Nov-2019  
BUSINESS ECONOMICS - I**

Day & Date: Monday, 18-11-2019  
Time: 03:00 PM To 05:00 PM

Max. Marks: 40

**Instructions:** 1) All questions are compulsory.  
2) Figures to the right indicate full marks.

**Q.1 A) Fill in the blanks by choosing correct alternatives given below. 08**

- 1) The law of demand shows \_\_\_\_\_ relationship between price and quantity demanded.
  - a) Direct
  - b) Inverse
  - c) Proportionate
  - d) Indirect
- 2) When the disposable income of the consumer increases with drastic fall in price of commodity it is called as \_\_\_\_\_.
  - a) Income effect
  - b) Substitution effect
  - c) Demand effect
  - d) Rational effect
- 3) The \_\_\_\_\_ function depicts relationship between input and output.
  - a) Investment
  - b) Technological
  - c) Distribution
  - d) Production
- 4) A market where there is a single seller and large number of buyers is called as \_\_\_\_\_ market.
  - a) Oligopoly
  - b) Monopoly
  - c) Duopoly
  - d) Perfect competition
- 5) The cost of inputs which cannot be readily adjusted for making change in level of output is called as \_\_\_\_\_ cost.
  - a) Variable Cost
  - b) Fixed Cost
  - c) Opportunity Cost
  - d) Semi-Variable Cost
- 6) \_\_\_\_\_ Introduced the concept of elasticity of demand.
  - a) Keynes
  - b) Stigler
  - c) Marshall
  - d) Watson
- 7) Type of price elasticity of demand where demand elasticity is infinite, is called as \_\_\_\_\_.
  - a) Perfectly Elastic Demand
  - b) unit elastic demand
  - c) Elastic demand
  - d) Inelastic Demand
- 8) \_\_\_\_\_ is the revenue earned per unit of output.
  - a) Total revenue
  - b) Marginal Revenue
  - c) Capital Revenue
  - d) Average Revenue

**B) Explain the following concepts. 04**

- a) Business Economics.
- b) Law of supply.

- Q.2 Write short notes.** **06**
- a) Monopolistic Competition
  - b) Business Decisions
  - c) Price elasticity of demand
- Q.3** Define the term Utility? Explain the law of Diminishing Marginal Utility with diagram. **10**
- Q.4 Attempt any one of the following questions.** **12**
- Define the concept of Micro Economics? Explain Scope, Significance and limitations of microeconomics.

**OR**

What is production function? Explain different types of production functions.