(i) **Printed Pages: 2**   Roll No. ....

(ii) **Questions   : 14**   **Sub. Code :** | 0 | 8 | 0 | 5 |
                            Exam. Code : | 0 | 0 | 1 | 1 |

Bachelor of Commerce 1st Semester
1128
BUSINESS ECONOMICS—I
Paper : BCM-104

Time Allowed : Three Hours]   **[Maximum Marks : 80**

Note :— (1) Attempt any **FOUR** questions from Section-A. Each question carries **5** marks.

(2) Attempt any TWO questions each from Sections-B and C. Each question carries **15** marks.

SECTION—A

1. Write a note on consumer equilibrium with the help of utility analysis.

2. Briefly explain the law of diminishing marginal utility.

3. What is law of demand ? Explain its exceptions.

4. Explain the law of variable proportions.

5. Why is the average cost curve U-shaped ?

6. Define oligopoly. What are its different types ?   4×5=20

SECTION—B

7. Distinguish between total utility and marginal utility and show that the concept of consumer's surplus is based on this distinction.   15

8. What is an indifference curve ? Show the income effect and price effect with the help of indifference curves. 15

9. Define elasticity of demand. Explain the factors which determine the elasticity of demand. 15

10. Discuss the usefulness of demand forecasting. Explain the various methods of demand forecasting. 15

SECTION—C

11. What is meant by returns to scale ? Explain the law of diminishing returns to scale. How does it differ from the law of variable proportions ? 15

12. Discuss the various concepts of cost curves. How do they differ in short run and long run ? 15

13. What do you mean by perfect competition ? Explain the equilibrium of a firm under perfect competition. 15

14. Define monopoly. How is price determined under monopoly ? Explain with the help of suitable diagrams. 15