

(i) Printed Pages : 3]

Roll No. ....

(ii) Questions : 9]

Sub. Code : 

0	8	0	5
---	---	---	---

Exam. Code : 

0	0	1	1
---	---	---	---

**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