(i)	Printed Pages: 2		Roll No.				
(ii)	Questions	:9	Sub. Code:	0	8	0	5
					0	4	4

Exam. Code: UUIII

Bachelor of Commerce 1st Semester
(2122)

## **BUSINESS ECONOMICS-I**

Paper: BCM-104

Time Allowed: Three Hours] [Maximum Marks: 80

Note: — Attempt four questions from Section A and attempt any two questions from Section B and Section C each.

## SECTION-A

- 1. Attempt any four questions. Each question carries 5 marks :
  - (i) Distinguish between Marginal and Total Utility.
  - (ii) Explain law of Equi-Marginal Utility.
  - (iii) Define Cross Elasticity of Demand.
    - (iv) Explain the conditions of firm's equilibrium under perfect competition.
    - (v) Distinguish between short run and long run.
  - (vi) Define the term monopoly.  $4\times5=20$

## SECTION-B

- 2. Critically explain the Law of Diminishing Marginal Utility along with its importance.
- 3. Define the law of demand; discuss its weaknesses.
- Explain 'Price Effect' with the help of Indifference Curve Approach. Show with the help of suitable diagram, bifurcation of 'Price Effect' into 'Income Effect' and "Substitution Effect'.
- 5. Define Price Elasticity of demand. Explain various methods to measure it. 2×15=30

## SECTION-C

- 6. Distinguish between internal and external economies and dis-economies of scale.
- 7. Explain the relationship between Total Revenue, Average Revenue, Marginal Revenue and Elasticity of demand.
- 8. Define Discriminating Monopoly. Determine equilibrium under discriminating Monopoly.