

(i) Printed Pages : 2 Roll No.

(ii) Questions : 9 Sub. Code :

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Exam. Code :

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**Bachelor of Business Administration (FYUP) 1st Semester
(2124)**

MICRO ECONOMICS

Paper : NBBA 102

Time Allowed : Three Hours] [Maximum Marks : 80

Note :— Attempt **four** short answer type questions from Section-A. Each question carries **5** marks. Attempt **two** questions each from Sections B and C respectively . Each question carries **15** marks.

SECTION—A

1. Attempt any **four** of the following :

- (i) Distinguish between Increase in demand and Extension in demand.
- (ii) Define the concept of Elasticity of supply.
- (iii) What do you mean by Income elasticity of demand ?
- (iv) Explain the concept of excess capacity.
- (v) Explain relation between average cost and marginal cost.
- (vi) Explain the concept of Market Price. 5×4=20

SECTION—B

2. Explain the law of demand. Why does demand curve slope downwards to the right ? Is there any exception to it ? 15
3. What is demand forecasting ? Explain the various methods of demand forecasting. 15
4. What is price elasticity of demand ? Explain the methods of price elasticity of demand. 15
5. State and explain the Law of Variable Proportion. 15

SECTION—C

6. Discuss the relationship between AR, MR and Elasticity of demand. 15
7. Explain the traditional theory of costs both in short and in long run with the help of suitable diagrams. 15
8. What do you mean by price discrimination ? How price and output are determined under discriminating monopoly ? 15
9. Explain the main features of Monopolistic competition. How price and output are determined under short and long period under it ? 15