End Semester/Reappear (Semester II) Examination July 2022

Programme: BBA   **Full Marks: 70**
Subject: Business Economics   **Time: 3 Hrs.**
Subject Code: 11.154
Enrollment No: _____

Section I

1. **Short Answer type questions. Answer any four.**   **4 x 5 = 20**
   a. Define the concept of Diminishing Marginal Utility? Give examples.
   b. Define the exceptional cases of law of demand.
   c. Explain the terms "Short run" and "Long run" in Economics.
   d. Define Monopolistic Competition with example.
   e. Differentiate between Microeconomics and Macroeconomics.
   f. Distinguish between Returns to a factor and Return to scale.

Section II

Long Answer type questions. Answer any three.   **3 x 10 = 30**

2. Explain Indifference Curve approach. Illustrate the properties of Indifference Curve.
3. Explain the law of variable proportion with the help of diagram.
4. Explain Cardinal Utility Approach. Write its assumptions and limitations.
5. Define along with examples:
   (a) Fixed Factor of Production
   (b) Variable Factor of Production
6. Given the following total cost function
   C= 10+2Q
   Find the followings:
   a.) Fixed Cost
   b.) Average Variable Cost
   c.) Average Fixed Cost
   d.) Variable Cost
   e.) Marginal Cost

Section III

Application based questions. Answer any one.   **1 x 20 = 20**

7. Elucidate the features of a Perfectly Competitive Market. How are the prices under Perfect Competition derived?
8. Classify the different degrees of Elasticity of Demand with example using suitable graph.
9. Analyze the relationship between following concepts using appropriate graph.
   (a) MP and AP
   (b) TP and MP
   (c) TP and AP

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