

March 2011
Bachelor of Business Administration (BBA) Examination
I Semester

Economics - I

Time 3 Hours]

[Max. Marks 80

Note- Attempt any five questions. All questions carry equal marks.

- Q.1. Distinguish between Micro-Economics and Macro-Economics. Are they complementary to each other ?
- Q.2. Explain the 'Law of Demand'. And discuss exceptions to Law of Demand.
- Q.3. Explain the three stages (phases) of the 'Law of Variable Proportions'; related with short run. Which stage is rational and why ?
- Q.4. Complete the following table and with its help discuss shapes of the AFC (Average Fixed Costs), AVC (Average Variable Costs), ATC (Average Total Costs) and MC (Marginal Costs) curves. Also bring out the relationship between ATC and MC. <http://www.davvonline.com>
[Note : Unit of Costs is Crores of Rupees (in short run)]

Quantity (Units)	TFC	TVC	TC	AFC	AVC	ATC	MC
1	100	10					
2		20					
3		28					
4		36					
5		40					
6		42					
7		46					
8		52					
9		60					
10		70					
11		82					

Q.5. Discuss any one of the following with suitable example :

(a) Price and output determination under Perfect Competition in short run.

(b) Price and output determination under Monopolistic Competition in short run. <http://www.davvonline.com>

Q.6. Explain 'Disequilibrium in Balance of Payments'. And discuss the methods of correcting disequilibrium in Balance of Payments

Q.7. Write brief notes on any two of the following :

(a) Role of Economics in Decision Making.

(b) Cross Elasticity of Demand.

(c) Diminishing Returns to Scale.

(d) Free Trade V/s Protection.

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<http://www.davvonline.com>