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Total No. of Pages : 02

Total No. of Questions : 09

BBA (2012 Batch) (Sem.–1<sup>st</sup>)

**MICRO ECONOMICS**

Subject Code : BBA-102

Paper ID : [C1122]

Time : 3 Hrs.

Max. Marks : 60

**INSTRUCTION TO CANDIDATES :**

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTIONS-B consists of FOUR Subsections : UNIT-I, II, III & IV. Each Subsection contains TWO questions each carrying TEN marks each and student has to attempt any ONE question from each Subsection.

**SECTION-A**

**I. Write briefly :**

- (I) What is Opportunity cost?
- (II) Define micro economics.
- (III) What is Cross elasticity?
- (IV) What is Budget line?
- (V) What is envelope curve?
- (VI) What is Marginal rate of substitution?
- (VII) Define Oligopoly.
- (VIII) What is quasi rent?
- (IX) What is Average Revenue?
- (X) What is Variable cost?

## **SECTION-B**

### **UNIT-I**

2. What do you mean by 'Scarcity'? Why the existence of scarcity require choices?

*OR*

3. With the help of suitable diagrams explain all the features of indifference curves.

### **UNIT-II**

4. What are the factors that cause the demand curve to shift? Illustrate graphically.

*OR*

5. Examine the concept of average revenue and marginal revenue.

### **UNIT-III**

6. State briefly the law of Variable proportions.

*OR*

7. Both short-run and long-run average cost curves are U-shaped. Why?

### **UNIT-IV**

8. Which among the three degrees of price discrimination, seems to be the most unrealistic to you? Why?

*OR*

9. What is marginal productivity theory and modern theory of distribution?