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Total No. of Questions: 09 **Total No. of Pages: 02**

BBA/Bachelor in Service Industry Management (SIM)/BRDM(Sem. 1)

MICRO ECONOMICS

Subject Code: BBA-102

Paper ID: C1122

Time: 3 Hrs. **Max. Marks: 60**

INSTRUCTIONS TO CANDIDATES:

1. **Section A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **Section B contains 4 UNITS. Each unit contains TWO questions carrying TEN marks each and students have to attempt at least ONE questions in EACH UNIT.**

SECTION A

1. Answer briefly:

a) Opportunity Cost

b) Cardinal Utility Approach

c) Budget Line

d) Price Elasticity of Demand

e) Demand

f) Planning Curve

g) Average Revenue

h) Monopoly

i) Group Equilibrium

j) Quasi Rent

SECTION B

UNIT I

2. Define micro economics? Discuss the nature and scope of micro economics?

3. Distinguish between total utility and marginal utility. What is the role of law of equi-marginal utility in analyzing consumer behavior?

UNIT II

4. What is the law of demand? Explain with the help of demand schedule and demand curve. What are the exceptions to this law?

5. Explain the concept of price elasticity of demand? Explain how would you measure such elasticity?

UNIT III

6. What is a production function? Explain short-run production function?

7. Explain the concepts of average fixed cost, average variable cost, average cost and marginal cost. Also show their interrelationships?

UNIT IV

8. Define perfect competition. Illustrate and explain how firms under perfect competition find their equilibrium in the short-run?

9. What is monopolistic competition? Explain the equilibrium of the firm and group under monopolistic competition?