

2/H-76 (iv) (Syllabus-2015)

2018

( April )

COMMERCE

( Honours )

( Business Economics )

( BC-201 )

Marks : 75

Time : 3 hours

The figures in the margin indicate full marks for the questions

- 1. (a) Bring out the relationship between Business Economics with other allied subjects. 8
- (b) Write a note on the role and responsibilities of a managerial economist. 3+4=7

Or

Define Business Economics. What are the goals of a business firm? Discuss the scope of Business Economics. 2+5+8=15

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( Turn Over )

( 2 )

- 2. What do you mean by consumer's equilibrium? Explain how a consumer attains his equilibrium in terms of the cardinal utility analysis of demand. 3+12=15

Or

What is demand forecasting? Why is demand forecasting important for the management of business firms? 5+10=15

- 3. State and explain the law of variable proportion with suitable diagram. 15

Or

What do you mean by production function? Distinguish between isoquants and isocost lines. Discuss the properties of isoquants. 2+5+8=15

- 4. Explain the concepts of TFC, TVC and TC. How are they related to each other? Illustrate them through curves. Is the distinction between fixed cost and variable cost relevant in the long run? 3+3+6+3=15

Or

Give reasons for the U-shape of the long-run average cost curves. Why is the long-run average cost curve usually called 'planning curve'? 7+8=15

( 3 )

- 5. State the features of a perfectly competitive market. Explain how the equilibrium price is determined under such a market. 5+10=15

Or

What is product differentiation? What role does it play in the determination of price and output under monopolistic competition? 7+8=15

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