3 Yr. Degree/4 Yr. Honours 1st Semester Examination, 2023 (CCFUP)

Subject : Business Administration

Course: BBA1021

(Fundamentals of Business Economics)

Time: 3 Hours   **Full Marks: 60**

The figures in the right hand margin indicate full marks.
Candidates are required to give their answers in their own words as far as practicable.

1. Answer *any ten* questions from the following: 2×10=20
   (a) Briefly describe one important feature of business economics.
   (b) State one exception to the law of demand with a brief description of it.
   (c) State the relevance of opportunity cost in business economics.
   (d) "Scarcity is one of the key concepts of economics."—Discuss.
   (e) What do you mean by autonomous demand?
   (f) What is elasticity of demand?
   (g) Discuss the importance of forecasting the demand for a new product.
   (h) Define marginal revenue.
   (i) What do you mean by an iso-cost line?
   (j) State the law of variable proportions.
   (k) State one source of monopoly.
   (l) When is price discrimination possible?
   (m) What is a saving function?
   (n) What do you mean by the circular flow of national income?
   (o) In the simple Keynesian model of income determination, we consider only the _____ market of the economy and it is assumed that the economy is a _____ economy having no foreign transactions. (Fill in the blanks.)

2. Answer *any four* of the following questions: 5×4=20
   (a) Discuss the relationship of business economics with statistics and accountancy.
   (b) Discuss the main features of any two types of market.
   (c) Differentiate between total revenue and average revenue.
   (d) Discuss the Cobb-Douglas production function and state two of its important properties.
   (e) Discuss any one form of price discrimination.
   (f) Briefly describe the important characteristics of a consumption function.

3. Answer *any two* of the following questions: 10×2=20
   (a) 'Business Economics is concerned with the nature, scope & functioning of business enterprises'— Discuss.
   (b) Provide an overview of the various types of returns to scale.
   (c) Discuss the conditions of short run equilibrium of a firm in a perfectly competitive market.
   (d) Distinguish between Value-Added Method and Income Method of measuring national income.

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