



**A-2627**

**First Year B. Com. (Sem. I) (Honours) Examination**  
**March / April - 2015**  
**Business Economics**

Time : Hours]

[Total Marks : 50

**Instruction :**

नीचे दशांशवैक निशानीवाणी विगतो उत्तरवही पर अवश्य लपवी. Fillup strictly the details of signs on your answer book.	Seat No. :
Name of the Examination :	<input type="text"/>
<input type="text" value="FIRST YEAR B. COM. (SEM. 1) (HONOURS)"/>	<input type="text"/>
Name of the Subject :	<input type="text"/>
<input type="text" value="BUSINESS ECONOMICS"/>	<input type="text"/>
Subject Code No. : <input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="7"/>	<input type="text"/>
Section No. (1, 2,.....): <input type="text" value="Nil"/>	<input type="text"/>
	Student's Signature

- 1 Give answers in brief of the following questions : 10
- (1) Distinguish between extension and increase in demand.
  - (2) Give the formula of arc price elasticity of demand.
  - (3) What is meant by Production Function ?
  - (4) State the meaning of marginal revenue.
  - (5) State the difference between average fixed cost and average variable cost.

- 2 Explain the factors affecting demand. 13

**OR**

- 2 Explain the factors affecting price elasticity of demand. 13

- 3 What is meant by optimum factor combination in production ? Explain with the help of isoquants and isocost lines how a producer achieves this combination of factors. 13

**OR**

- 3** Explain the law of variable proportion. **13**
- 4** Write short notes : (any **two**) **14**
- (1) Production Possibility Curve
  - (2) Critical evaluation of free price mechanism
  - (3) Relationship between average cost and marginal cost
  - (4) L-Shaped long run average cost curve.
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