

**Bachelor of Commerce Examination: October - 2022**  
**(Distance Education) (New Course)**

Day & Date	Semester	Subject Name	Time	Code	Marks
Friday 07/10/2022	I (Fresh/ Repeater)	Business Economics	11.00 AM To 02.10 PM	145105	75

**Instructions:** 1) Questions 1 & 2 are Compulsory.  
2) Answer any four questions from Q. no. 3 to Q. no. 9.  
3) Figures to right indicate marks.

- Q.1 Answer the following** **05**
- a) Match the following**
- |                               |  |
|-------------------------------|--|
| <b>A</b>                      | <b>B</b>   |
| 1) Perfectly inelastic demand | a) Mikros  |
| 2) Active Forecast            | b) Price line  |
| 3) Micro                      | c) No two curves interest each other                       |
| 4) Budget line                | d) Salt  |
| 5) Indifference Curve         | e) Forecasting done under the condition of future changes. |
- B) Answer in one sentence.** **05**
1. Define the production Possibility Curve.
  2. What is the cross elasticity of demand?
  3. What is called the Price line or Budget line?
  4. What is demand forecasting?
  5. What is the indifference curve?
- Q.2 Write shorts notes (any five)** **25**
- a) Economic system
  - b) Substitution effect
  - c) Arc Elasticity of demand
  - d) Derivation of the Demand curve from the price consumption curve
  - e) Scale of preference
  - f) Income elasticity of demand
  - g) Equilibrium
- Q.3 Define micro-economics along with its importance and limitations.** **10**
- Q.4 Describe the concept of Cardinal and Ordinal Utility.** **10**
- Q.5 What is meant by the Revealed preference hypothesis? Explain Samuelson's Revealed preference theory of demand based on it.** **10**

- Q.6** From the demand schedule given below calculate the price elasticity of demand and total revenue. **10**

Price	Quantity demanded	Total revenue	Price elasticity
10	20		
8	30		
6	35		
4	40		

- Q.7** List the different methods of demand forecasting. **10**
- Q.8** Explain the consumer's equilibrium condition with the help of the indifference curve approach. **10**
- Q.9** Define the price elasticity of demand and distinguish its various types. **10**