

**BACHELOR OF BUSINESS ADMINISTRATION
(RETAIL SERVICES) (BBARS)**

Term-End Examination

December, 2015

BRS-003 : BUSINESS ECONOMICS

Time : 3 hours

Maximum Marks : 100

Note : *Attempt any five questions maintaining choice indicated. All questions carry equal marks.*

1. Distinguish between a capitalist economy and a mixed economy. What are the advantages of a mixed economic system ? 20
2. Explain the concept of elasticity of demand. What are its implications ? In what respects does the income elasticity differ from price elasticity ? 20
3. Bring out the important characteristics of perfect competition. How does a firm achieve equilibrium in the long run in a perfectly competitive market ? 20
4. Explain the concept of monopolistic competition. How does a firm achieve equilibrium in monopolistic competition ? Show through a diagram. 20

5. Explain the concepts of total revenue, average revenue and marginal revenue. Bring out the relationship among these concepts. Use appropriate diagram. 20
6. What is meant by business cycle ? What are its phases ? Mention the important factors that influence business cycle. 20
7. Highlight the role of financial sector in an economy. Point out the important reform measures undertaken in Indian financial market in recent years. 20
8. Explain **any two** of the following with suitable examples : 20
- (a) Methods of demand forecasting
 - (b) Determinants of supply in an economy
 - (c) Oligopoly market
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