

**B.Sc. FASHION MERCHANDIZING AND  
RETAIL MANAGEMENT (BSCFMRM)**

**Term-End Examination**

**June, 2013**

**BFW-041 : BUSINESS ECONOMICS**

*Time : 3 hours*

*Maximum Marks : 70*

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*Note : Attempt **any seven** questions. Each questions carries  
equal marks.*

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1. On the basis of the following, derive different 10  
measures of value added :
  - (a) Value of output
  - (b) Indirect taxes
  - (c) Intermediate cost
  - (d) Consumption of fixed capital
  - (e) Subsidies
  
2. Explain briefly different final expenditures and 10  
their meaning.
  
3. Discuss the relationship between marginal cost 10  
and average variable cost with help of diagram.

4. Discuss the following : 2x5=10  
(a) Cross elasticity of demand  
(b) Gross National Product
5. Explain the law of Diminishing Marginal Utility 10  
with diagram.
6. State the important characteristics of business 10  
economics.
7. Identify and discuss the various determinants of 10  
the demand for a commodity.
8. What is 'Barter system' ? Explain its limitations. 6+4
9. Explain price determination with the help of 10  
diagrams under perfect competition.
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