

**B.Sc. FOOTWEAR TECHNOLOGY (BSCFWT)**

**Term-End Examination**

**June, 2016**

00146

**BFW-041 : BUSINESS ECONOMICS**

*Time : 3 hours*

*Maximum Marks : 70*

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**Note :** Answer any **seven** questions. All questions carry equal marks.

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1. Write short notes on the following :  $4 \times 2 \frac{1}{2} = 10$
- (a) Law of Variable Proportions
  - (b) Advertising Elasticity of Demand
  - (c) Economies of Scale
  - (d) Oligopoly Competition
2. Explain price and output determination under monopoly in the short and long run. 10
3. Differentiate between income elasticity of demand and cross elasticity of demand. 10
4. Why is forecasting important in the management of a business firm ? 10

5. What is monopolistic competition ? Explain how equilibrium price is determined under monopolistic competition. 10
  6. Discuss the law of diminishing marginal utility with the help of an example. 10
  7. Explain the various statistical and non-statistical methods of demand forecasting. 10
  8. What is marginal analysis ? How is it different from incremental analysis ? 10
  9. What is perfect competition ? Explain how equilibrium price is determined under perfect competition. 10
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