

ROLL No.....

NATIONAL COUNCIL FOR HOTEL MANAGEMENT
AND CATERING TECHNOLOGY, NOIDA
ACADEMIC YEAR 2014-2015

COURSE : 4th Semester of 3-year B.Sc. in H&HA - **Specialisation**
SUBJECT : Business Economics
TIME ALLOWED : 02 Hours MAX. MARKS: 50

(Marks allotted to each question are given in brackets)

Q.1. Explain the Law of Variable Proportion.

OR

Explain the Cobb-Douglas production function. (10)

Q.2. What is national income? How is national income measured?

OR

What are trade cycles? Discuss the various phases of trade cycles. (10)

Q.3. Answer the following questions:

- (a) What is price rigidity?
- (b) Define consumer surplus.
- (c) Write a brief note on kinked demand curve.
- (d) What are economies and dis-economies of scale?
- (e) Define liberalisation and globalisation. (5x2=10)

Q.4. Distinguish between (**any two**):

- (a) Economic and non-economic activities
- (b) Cardinal and ordinal utilities
- (c) Micro and Macro-economics
- (d) Inductive and deductive approaches (2x2 ½ =5)

OR

Explain the Law of Diminishing Marginal Utility. (5)

Q.5. Why does demand curve slope downward from left to right? (5)

Q.6. What do you mean by elasticity of demand? Discuss the price and income elasticity of demand. (1+4=5)

Q.7. What is perfect market? Discuss its characteristics. (2+3=5)

OR

Differentiate between Monopoly and Monopolistic competition. (5)
