

Exam. Code : 108502
Subject Code : 2828

B.Com. 2nd Semester

BUSINESS ECONOMICS

Paper—BCG-205

Time Allowed—3 Hours]

[Maximum Marks—50

- Note :—** (1) Attempt **TEN** questions from Section A. Answer each question in about **5** lines. Each question carries **1** mark.
- (2) Attempt **TWO** questions from Section B. Answer each question in upto **5** pages. Each question carries **10** marks.
- (3) Attempt **TWO** questions from Section C. Answer each question in upto **5** pages. Each question carries **10** marks.

SECTION—A

1. (i) Law of Demand.
(ii) Price Elasticity of Demand.
(iii) Revealed Preference Theory of Demand.
(iv) Returns to Scale.
(v) Accounting Costs vs Economic Costs.
(vi) Average and Marginal Revenue.
(vii) Features of Monopoly.
(viii) Explain the budget line.

- (ix) Gross and Net Domestic Product.
- (x) Personal Income and Disposable Income.
- (xi) Income Effect & Price Effect.
- (xii) National Income.

SECTION—B

- 2. What is Price Elasticity of Demand ? What are various methods of measuring Price elasticity of demand ?
- 3. Critically evaluate the Indifference Curve Approach of Demand.
- 4. Explain the Law of Returns to Scale. Explain the reasons of returns to scale.
- 5. Explain the Theory of Costs in the short run and the long run (with appropriate figures).

SECTION—C

- 6. What are the main features of Perfect Competition ? How is price and output determined under Perfectly Competitive market conditions both in the short run and the long run.
- 7. What are the various methods of measurement of National Income ? What are the problems in its measurement especially in the underdeveloped countries like India ?
- 8. Explain the significance of Keynes Psychological Law of Consumption.
- 9. Explain the various concepts of Revenue (with appropriate figures). What is the relationship between Average Revenue, Marginal Revenue and Elasticity of Demand ?