

Exam. Code : 108502

Subject Code : 2184

B.Com 2nd Semester

BCG-205 : BUSINESS ECONOMICS

Time Allowed—3 Hours]

[Maximum Marks—50

Note :— Attempt any **five** questions in all selecting at least **one** question from each unit.

UNIT—I

1. Define Price Elasticity of Demand. How is it measured? 10
2. Briefly outline the Law of diminishing marginal utility and Law of equi-marginal utility. 10

UNIT—II

3. Explain in detail the Law of variable proportions. 10
4. Define the following concepts — Average Revenue, Marginal Revenue and Total Revenue. What is the relationship between Average Revenue, Marginal Revenue and Elasticity of Demand ? 10

UNIT—III

5. How is price and output of a firm and industry determined under perfect competition ? 10

6. Elaborate upon the meaning and features of monopolistic competition. How is price and output under monopolistic competition determined ? 10

UNIT—IV

7. Define National Income. What is its importance and how is it measured ? 10
8. Discuss in detail the Keynes psychological law of consumption. 10