Bachelor of Commerce (Computer Application) (B.C.C.A.) Semester—III Examination
BUSINESS ECONOMICS
Compulsory Paper—2

Time : Three Hours]   [Maximum Marks : 80

N.B. :— (1) **ALL** questions are compulsory.

(2) Draw well labelled diagrams wherever necessary.

PART—A

Note :— (1) Each question carries **2** marks.

(2) Answers should not be in more than **5** lines.

1.   (a)   Explain the concept of Income elasticity of demand.

(b)   What is demand forecasting ?

(c)   Explain the production function.

(d)   Define perfect competition.

(e)   Define Monopolistic competition

(f)   Define Oligopoly.

(g)   Explain the meaning of economic rent.

(h)   Explain the meaning of wage determination.   8×2=16

PART—B

Note :— (1) Each question carries **3** marks.

(2) Answers should not be in more than **10** lines.

2.   (a)   State any three exceptions of law of demand.

(b)   Explain different kinds of economic systems.

(c)   Define economies of scale.

(d)   What is short run Cost ?

(e)   What is selling cost ?

(f)   Define Sweezy's Kinked Demand Curve Model.

(g)   Explain the concept of Marginal Productivity of factor demand.

(h)   Explain the concept of Quasi Rent earnings.   8×3=24

PART—C

Note :— (1) Each question carries **5** or **10** marks.

(2) Answers should not be in more than **400** words for **5** marks questions and **600** words for **10** marks questions respectively.

EITHER

3.   (a)   State the concept of law of supply with its assumptions.   5

(b)   What are the properties of indifference curves ?   5

OR

(c)   State different forms of price elasticity of demand.   10

EITHER

4. (a) Explain the concept of theory of Cost.   5

   (b) State different causes of diseconomies of Scale.   5

   OR

   (c) Define market structure and explain its characteristics.   10

   EITHER

5. (a) Distinguish between monopoly and perfect competition.   5

   (b) Explain assumptions of Cournot's Duopoly model.   5

   OR

   (c) Define monopoly. Explain the measures of monopoly power in detail.   10

   EITHER

6. (a) Explain the theory of Rent.   5

   (b) Explain disadvantages of Modern Theory of Interest.   5

   OR

   (c) Critically examine the Loanable Fund Theory of Interest.   10