Question Paper Code: 3366

BCA (Semester-IV) Examination, 2021-22

BUSINESS ECONOMICS

[Paper: BCA-402 (Theory)]

Time: Three Hours]

[Maximum Marks: 70

Note: Answer five questions in all. Question No.1 is compulsory. Besides this attempt one question from each unit.

Write short notes on the following:

[10×3=30]

- The Economic Problem (a)
- Sales revenue maximization
- Demand schedule
- Delphi method (d)
- Indifference curve
- Short run and long run

[P.T.O.]

Economies of scale

Price discrimination (h)

Oligopoly

Factors of production

UNIT-I

What business economics is about? Discuss the nature of business economics. [10]

Distinguish between accounting profit and 3. economic profit.

> Explain briefly profit maximization as the objective of business firms.

UNIT-II

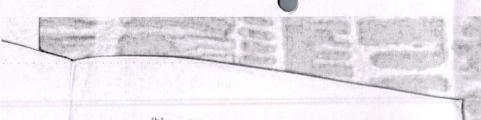
Define demand for a commodity? Explain various factors which determine demand for a commodity.

5. Explain the concept of income elasticity of demand and explain its role in business decisions.

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- (b) Classify the following pairs of goods into categories of substitutes and complementary products and indicate the nature of their price elasticity (Whether positive or negative). [5]
- (i) Bikes and scooters
- (ii) Maruti car and Santro car
- (iii) Sarees and blouse
- (iv) Shoes and socks
- (v) Bread and Butter

UNIT-III

- Explain the Law of Variable Proportions with its various stages. What are the basic assumptions behind this law?
 [10]
- Draw various types of short run cost curves. Also explain why SAC is U-shaped. [10]

UNIT-IV

8. Define perfect competition. What are the characteristics of perfect competition market? [10]

(3)

[P.T.O.]

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[P.T

(iii) Find name of supplier who have ordered parts in quantity more than 5000.

- 9. Write short notes on any two of the following: [5+5]
 - (a) Business cycle
 - (b) Causes of inflation
 - (c) Monetary policy