

Roll No. ....

**DD-977**

**Bachelor of Business Administration  
(Second Semester)**

**EXAMINATION, May-June, 2020**

**BUSINESS ECONOMICS**

**(107)**

*Time : Three Hours*

*Maximum Marks : 90*

*Minimum Pass Marks : 32*

**Note :** Attempt all the *five* questions. *One* question from each Unit is compulsory. All questions carry equal marks.

**Unit—I**

1. What is Elasticity of Demand ? Also explain the determinants of elasticity of demand.

*Or*

Write short notes on the following :

- (a) Price elasticity of demand
- (b) Income elasticity of demand

**Unit—II**

2. State and explain the law of Diminishing returns.

**(B-31) P. T. O.**

[ 2 ]

*Or*

Write short notes on the following :

- (a) Returns to a Scale
- (b) Internal and External economics

**Unit—III**

3. What is Perfect Competition ? How are prices determined under perfect competition ?

*Or*

What is Price Discrimination ? Also explain the different ways of price discrimination.

**Unit—IV**

4. Define oligopoly. Write down the classical models of oligopoly.

*Or*

Define Monopolistic Competition. What are the main characteristics of monopolistic competition ?

**Unit—V**

5. Explain the term 'rent' as used in economics. State and examine the Ricardian theory of Rent.

*Or*

Critically examine the marginal productivity theory of wages.