



Reg. No. : .....

Name : .....

**IV Semester B.Com. Degree (CCSS – Reg./Supple./Imp.)**

**Examination, May 2015**

**CORE COURSE IN COMMERCE**

**4B06 COM : Business Economics**

**(2012 Admn. Onwards)**

Time: 3 Hours

Max. Weightage : 30

**PART – A**

**Two bunches of questions carrying equal weightage of one. Answer all.**

- I. 1. Economics deals with National Income.
  - a) Micro Economics
  - b) Macro Economics
  - c) Managerial Economics
  - d) None
- 2. Demand for electricity is elastic because
  - a) Expensive
  - b) Close substitutes
  - c) Alternative uses
  - d) None
- 3. The optimum input combinations is found out with the help of
  - a) Isoquant and isocost curve
  - b) Demand and supply curve
  - c) Demand and Isoquant curve
  - d) Supply and Isocost curve
- 4. Under price skimming, the price of the product will be
  - a) Very low
  - b) Equal to cost
  - c) Very high
  - d) None

**(W =1)**

II. Match the following :

- 5. Explicit cost
- 6. Decision process
- 7. Diminishing returns to scale
- 8. Interior goods
- a) Consumer behaviour
- b) All non-monetary expenses
- c) Robert Giffen
- d) All monetary expenses
- e) Diseconomies of scale
- f) Economies of scale

**(W = 1)**



## PART – B

Answer **any eight**. Each carries a weightage of **one** :

9. Define penetration pricing policy.
10. What do you mean by supply schedule ?
11. What is marginal product ?
12. What are Isocost curves ?
13. What is law of demand ?
14. What is demand forecasting ?
15. Define monopoly.
16. What do you mean by short cost function ?
17. Define Business Economics.
18. State two distinction between Economics and Business Economics. **(W = 8×1=8)**

## PART – C

Answer **any six**. Each carries a weightage of **two** :

19. What are the objectives of Business Economics ?
20. Explain the exceptions to the law of demand.
21. What are the different methods of demand forecasting ?
22. What are the characteristics of production function ?
23. Explain the internal factors to be considered when formulating a pricing policy.
24. What are the benefits of monopoly ?



25. Explain the factors influences cost function.

26. What are the determinants of elasticity of supply ?

(W = 6x2=12)

PART - D

Answer any two. Each carries a weightage of four.

27. Briefly discuss the different kinds of elasticities of demand.

28. Distinguish between short-run cost function and long run cost function are suitable diagrams to elucidate your points.

29. What are the features of perfect competition ? Explain the process of price determination under perfect competition.

(W = 2x4=8)

1. Economics deals with National Income

- a) Micro Economics
- b) None
- c) Managerial Economics
- d) None

2. Demand for electricity is elastic because

- a) Expensive
- b) Close substitutes
- c) Alternative uses
- d) None

3. The optimum input combination is found out with the help of

- a) Isoquant and isocost curve
- b) Demand and supply curve
- c) Demand and isocost curve
- d) Supply and isocost curve

4. Under price skimming, the price of the product will be

- a) Very low
- b) Equal to cost
- c) Very high
- d) None

(W = 1)

ii. Match the following

- |                                 |                              |
|---------------------------------|------------------------------|
| 5. Explicit cost                | a) Consumer behaviour        |
| 6. Decision process             | b) All non-monetary expenses |
| 7. Diminishing returns to scale | c) Robert Green              |
| 8. Inferior goods               | d) All monetary expenses     |
|                                 | e) Diseconomies of scale     |
|                                 | f) Economies of scale        |

(W = 1)