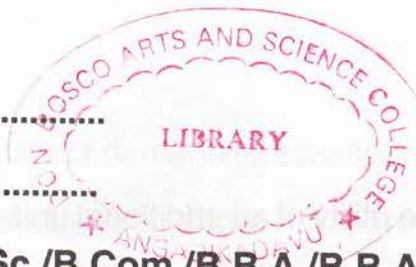




M 708

Reg. No. :

Name :



IV Semester B.A./B.Sc./B.Com./B.B.A./B.B.A.T.T.M./B.B.M./B.C.A./B.S.W./
B.A. Afsal UI Ulama Degree (CCSS – Reg./Supple./Improv.)

Examination, April 2012

CORE COURSE IN COMMERCE

4B 06 COM : Business Economics

Time: 3 Hours

Max. Weightage : 30

PART – A

This Part consists of **two** bunches of questions carrying equal weightage of **one**. Each bunch consists of **four** objective type questions.

Answer **all** questions.

- I. 1) Duopoly means the existence of
a) only one seller
b) two sellers slope
c) few sellers
d) too many sellers
- 2) Which one is not a property of Isoquant ?
a) convex
b) negative slope
c) downward slope
d) positive slope
- 3) In perfect competition, there is
a) uniform price
b) different prices
c) different prices in different places
d) different prices to different customers
- 4) According to the law of demand, when price falls, demand _____
a) falls
b) rises
c) remains the same
d) zero

(W = 1)

P.T.O.



II. Fill in the blanks :

- 5) _____ utility is the utility of an additional unit.
- 6) When the demand schedule is shown graphically, it is called _____
- 7) When the demand of a commodity is related to the price of other commodity, it is called _____ demand.
- 8) The factors of production are land, _____, capital and organisation. (W = 1)

PART – B

III. Answer **any 8** questions in **one or two** sentences **each**. **Each** question carries a weightage of **one**.

- 9) Give two differences between Economics and Business Economics.
- 10) Explain price elasticity.
- 11) Define demand forecasting.
- 12) What do you mean by Isoquant ?
- 13) What is Isocost curve ?
- 14) What is social cost ?
- 15) What is meant by internal dis-economies ?
- 16) State the meaning of equilibrium price.
- 17) Define marginal cost.
- 18) What is oligopoly ? (W = 8×1=8)

PART – C

IV. Answer **any 6** questions. Answer not to exceed **one** page **each**. **Each** question carries a weightage of **2**.

- 19) Describe the characteristics of Business Economics.
- 20) Explain the law of Equi-Marginal Utility. What are the assumptions of the law ?
- 21) Explain the exceptions to the law of demand.



- 22) Describe the methods of demand forecasting.
- 23) State the law of variable proportions. Examine its practical importance.
- 24) Explain marginal rate of technical substitution.
- 25) List the characteristics of perfect competition.
- 26) Define monopoly. Examine its features. (W = 6×2=12)

PART – D

V. Answer **any two**. **Each** question carries a weightage of **four** :

- 27) Explain the concept of consumer surplus. List its assumptions. Also explain the limitations of the concept.
- 28) State the Law of Demand. Explain the factors affecting demand.
- 29) Discuss the various economies of scale. (W = 2×4=8)