



M 9991

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.(CCSS-Regular) Degree Examination, March 2011
COMMERCE (Core Course)
4 B 06 COM : Business Economics

Time: 3 Hours

Max. Wt. : 30

W.G.P. : 120

PART - A

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

Answer **all** questions :

- I. 1) Contraction of demand is the result of
- Decrease in the number of consumers
 - Increase in the price of goods concerned
 - Increase in the price of other goods
 - Decrease in the income of purchasers
- 2) Which of the following pairs of goods is an example of substitutes ?
- paper and pen
 - Tea and coffee
 - Tea and sugar
 - Shirt and pants
- 3) In the case of an inferior good , the income elasticity of demand is
- Positive
 - Zero
 - Negative
 - Infinite
- 4) Total utility is maximum when
- Marginal utility is zero
 - Marginal utility is at highest point
 - Marginal utility is equal to average utility
 - Average utility is maximum

(W = 1) (WGP 4)

P.T.O.

II. Fill in the blanks :

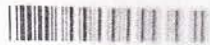
- 5) An isoquant slopes _____
- 6) In the short run when the output of a firm increases, its average fixed cost _____
- 7) Another name for average revenue curve is _____
- 8) Under perfect competition the demand curve has a _____ shape.
- (W = 1) (WGP = 4)

PART - B

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

9. Define Business Economics.
10. What is meant by income elasticity of demand ?
11. What is marginal utility ?
12. What is the meaning of demand forecasting ?
13. State the factors of production.
14. Give the meaning of production function.
15. Define Isoquants.
16. What is accounting cost ?
17. What do you mean by average fixed cost ?
18. Define marginal revenue.

(W = 8×1=8) (WGP 8×4×1=32)



PART C



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

cost

19. Give four points of distinction between economics and Business Economics.

20. State the exceptions to the law of demand .

21. Explain price elasticity. How is it calculated ?

P = 4

22. Explain the law of Equi-marginal utility.

23. Describe the concept of 'consumer surplus'. What are its uses ?

24. What are indifference curves ? State any 3 properties of indifference curve.

25. Explain the law of variable proportions.

26. What are the features of monopoly market ? (W = 6×2=12) (WGP 6×4×2=48)

PART - D

Answer any 2. Each question carries a weightage of four :

27. Define demand. Explain the determinants of demand. Also state the law of demand.

28. Explain the economies and dis-economies of scale.

29. State the features of perfect competition. How price is determined under perfect competition. (W = 2×4=8) (WGP = 2×4×4=32)