

(6 pages)

Reg. No. :

Code No. : 32122 E Sub. Code : CABE 21

B.Com. (CBCS) DEGREE EXAMINATION,
APRIL 2023.

Second Semester

Banking and E – Commerce — Allied

BUSINESS ECONOMICS

(For those who joined in July 2021 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer.

1. Study of aggregate is known as
 - (a) Macroeconomics
 - (b) Microeconomics
 - (c) Price theory
 - (d) Factor price
2. _____ economics deals with what ought to be or how an economic problem should be solved.
 - (a) Positive
 - (b) Normative
 - (c) Science
 - (d) Arts

3. The law of demand states, with increase in price there is
 - (a) decrease in quantity demanded
 - (b) increase in quantity demanded
 - (c) decreased demand
 - (d) increased demand
4. The law of demand is measured from the perspective of
 - (a) Consumer
 - (b) Shopkeeper
 - (c) Wholesaler
 - (d) Manufacturer
5. _____ is used for creation of those goods and services which have an exchange value.
 - (a) Money
 - (b) Product
 - (c) Linear programming
 - (d) All of the above
6. Isoquants are equal to
 - (a) Product Lines
 - (b) Total utility lines
 - (c) Cost line
 - (d) Revenue lines



7. _____ is a that part of the stock which a seller is ready to sell at a certain price.

- (a) Product (b) Services
(c) Supply (d) Management

8. _____ of a commodity is the total amount of commodity available with the producers at any given time.

- (a) Supply (b) Actual Supply
(c) Elastic Supply (d) Stock

9. _____ affects the allocation of resources in different sectors.

- (a) Product level
(b) Service level
(c) Price level
(d) None of these competitions

10. Sellers in perfect competitions are:

- (a) Price maker (b) Price taker
(c) Wealthy (d) Poor

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Write the nature of economics.

Or

(b) Write a significance of business economics.

12. (a) State the features of demand.

Or

(b) Write a brief note on indifference curve.

13. (a) Write a note on Fixed and Variable factors.

Or

(b) Explain the modern approaches to the law variable proportion.

14. (a) Describe the relationship between marginal cost to average cost.

Or

(b) Write a law of supply.



15. (a) Describe the conditions essential for price discrimination.

Or

- (b) What are the reasons for adopting skimming price policy?

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Elaborate the role of business economics in decision making.

Or

- (b) Write the significance of business economics.

17. (a) Explain the determinants of price elasticity of demand.

Or

- (b) Explain the methods of measuring price elasticity of demand.

18. (a) Discuss about the production possibility curves.

Or

- (b) Discuss about the law of returns to scale.

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19. (a) Analyse the degrees of price discrimination.

Or

- (b) Classify the various types of elasticity of supply.

20. (a) Discuss the equilibrium conditions of a firm.

Or

- (b) Write the determinants of imperfect market and Explain.

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