

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BVoc DEGREE EXAMINATION MAY 2023
(Third Semester)

Branch – BANKING, STOCK AND INSURANCE)

BUSINESS ECONOMICS

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

- 1 The subject of economics is
(i) A Natural Science (ii) A Social Science
(iii) A Political Science (iv) A Physical Science
- 2 In case of a Giffen good, a fall in its price tends to
(i) Demand remain constant (ii) Demand increases
(iii) Reduce the demand (iv) Abnormal change in demand
- 3 Which is not a statistical method in forecasting?
(i) Trend analysis (ii) Consumer survey
(iii) Regression method (iv) Least square method
- 4 Which of the following is considered production in economies
(i) Driving for pleasure (ii) Teaching for a fee
(iii) Boating for recreation (iv) Donating Blood
- 5 In a monopolistically competitive market, the number of firm is
(i) One (ii) Two
(iii) Few (iv) Very large

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a Differentiate Micro economics from Macroeconomics.
(OR)
b State any three assumptions of Production Possibility Curve.
- 7 a What do you mean by Market Demand?
(OR)
b Write a note on cross elasticity of demand.
- 8 a Narrate the concept of Passive forecasting.
(OR)
b Explain the survey method of forecasting.
- 9 a Brief the factors of Internal economies of scale.
(OR)
b What are the properties of Iso-quants?
- 10 a Draft the concept of Disposable Personal Income.
(OR)
b List out the features of Monopoly Market.

Cont...

SECTION -C (30 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks

(5 x 6 = 30)

11 a What are the objectives of a business firm?

(OR)

b Discuss the scope of business economics.

12 a Explain the reasons behind the downward slope of the demand curve.

(OR)

b Enumerate the various factors determining demand.

13 a Discuss the features of a good forecasting method.

(OR)

b How to forecast demand for a new product?

14 a Elucidate the Law of Variable Proportion.

(OR)

b Outline the concept of Break Even Point with its graphical presentation.

15 a Elucidate the Perfect Market with its features.

(OR)

b Enumerate the various phases of Business Cycle.

Z-Z-Z END