

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2024
(Third Semester)

Branch – COMMERCE (FINANCIAL SYSTEMS)

BUSINESS ECONOMICS

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10 x 1 = 10)

- 1 What is the other name of economics?
 - (i) Political economy
 - (ii) Principles of economy
 - (iii) Econometrics
 - (iv) Capitalist economy
- 2 In a socialist economy, all decisions regarding production and distribution are taken by
 - (i) Market Forces
 - (ii) Central Planning Authority
 - (iii) Custom and Traditions
 - (iv) Private Sector
- 3 Increase in demand is shown by
 - (i) Movement along the same demand curve
 - (ii) Shift of the demand curve
 - (iii) The highest point on the demand curve
 - (iv) Lowest point on the demand curve
- 4 The concept of elasticity of demand was introduced by
 - (i) Adam Smith
 - (ii) Lionel Robbins
 - (iii) Alfred Marshall
 - (iv) Samuelson
- 5 Another name of isoquant _____
 - (i) Iso-Product Curve
 - (ii) Iso-Supply Curve
 - (iii) Iso-market Curve
 - (iv) Iso-demand Curve
- 6 Production refers to
 - (i) Destruction of utility
 - (ii) Creation of utility
 - (iii) Exchange value
 - (iv) Production function
- 7 Economic cost includes _____
 - (i) Implicit cost & Explicit cost
 - (ii) Social cost
 - (iii) Fixed cost
 - (iv) Variable cost
- 8 Average fixed costs is obtained by dividing
 - (i) TC/Q
 - (ii) TFC/Q
 - (iii) TVC/Q
 - (iv) TF/Q
- 9 Exchange of goods for goods is known as
 - (i) Market system
 - (ii) Production system
 - (iii) Sales system
 - (iv) Barter system
- 10 A firm can achieve equilibrium when its
 - (i) $MC=MR$
 - (ii) $MC=AC$
 - (iii) $MR=AR$
 - (iv) $MR=AC$

Cont...

SECTION - B (35 Marks)Answer **ALL** Questions**ALL** Questions Carry **EQUAL** Marks

(5 x 7 = 35)

- 11 a Discuss the Significance of business economics.
OR
b Distinguish between micro and macro economics.
- 12 a Explain the individual demand schedule with demand curve.
OR
b State the factors determining the demand.
- 13 a Elaborate the isoquants and its properties.
OR
b Briefly discuss about production function.
- 14 a Explain the types of cost.
OR
b Discuss about the breakeven point.
- 15 a Elucidate about the types of market.
OR
b Briefly discuss about the market economic growth and development.

SECTION - C (30 Marks)Answer any **THREE** Questions**ALL** Questions Carry **EQUAL** Marks

(3 x 10 = 30)

- 16 Explain the objectives of business firm.
- 17 Write about types of elasticity of demand.
- 18 Elaborate the three phases of returns scale.
- 19 Explain about the average fixed and variable cost, also draw the schedule & diagram.
- 20 Write a short note on –GDP, GNP, NNP, and PCI.

Z-Z-Z

END