PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BCom DEGREE EXAMINATION DECEMBER 2022
(Third Semester)
Branch – COMMERCE
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   Identify what is normative statements concern?
    (i)   What was   (ii) What is the normal situation
    (iii) What ought to be   (iv) What will be

2   If there is no change in demand even after percentage change in price, then it is termed as
    (i)   Perfectly inelastic   (ii) Perfectly elastic
    (iii) Relatively elastic   (iv) Unitary elastic

3   Which of the following is not a forecasting technique?
    (i)   Judgmental   (ii) Time series
    (iii) Time horizon   (iv) Associative

4   As output expands, LAC curve falls. This is due to:
    (i)   Law of variable proportions (ii) Law of diminishing returns
    (iii) Diseconomies of scale   (iv) Economies of scale

5   Which of the following is NOT a feature of monopolistic competition?
    (i)   Homogenous products   (ii) Product differentiation
    (iii) Numerous buyers   (iv) Numerous Sellers

SECTION - B (15 Marks)
Answer ALL Questions
ALL Questions Carry EQUAL Marks   (5 x 3 = 15)

6   a   Bring out significance of decision making in business.
                 OR
    b   Narrate central problems of an economy.

7   a   Analyze the determinants of market demand.
                 OR
    b   Outline the Law of Diminishing Marginal Utility.

8   a   State the advantages of statistical forecasting method.
                 OR
    b   Apply suitable method to forecasting demand for new product.

9   a   Narrate the properties of Isoquants.
                 OR
    b   Develop the conditions for equilibrium of a firm.

10   a   Compare Economic growth with economic development.
                 OR
    b   summaries various concepts of National Income.

SECTION -C (30 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** Marks   (5 x 6 = 30)

11 a   Examine the Scope of business economics.

OR

   b   Differentiate between Micro and Macroeconomics.

12 a   Produce reasons for downward sloping demand curve.

OR

   b   Describe the classification of elasticity of demand.

13 a   Discuss criteria of a good forecasting method.

OR

   b   Identify the determinants of demand forecasting.

14 a   Analyze the Law of variable proportions.

OR

   b   Trace the Break Even Point of a firm.

15 a   Examine price and output determination under Oligopoly market.

OR

   b   Outline meaning and different types of Inflation.

Z-Z-Z   END