

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2017
(Third Semester)

Branch - COMMERCE

BUSINESS ECONOMICS

Time : Three Hours

Maximum : 75 Marks

SECTION-A (20 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10 x 2 = 20)

Define the following concepts/terms:

- 1 Decision Making.
- 2 Inductive method.
- 3 Law of demand..
- 4 Marginal utility.
- 5 Active forecasting.
- 6 Steps in demand forecasting.
- 7 Revenue.
- 8 Economies of scale.
- 9 Per capital income.
- 10 Recession.

SECTION - B (25 Marks!)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 5 = 25)

- 1 1 a State the relations between micro and macro economics.

OR

- b Discuss the different objectives of the firm.

- 12 a Differentiate between Cardinal and ordinal utility.

OR

- b Write a note on shift in demand curve.

- 13 a Explain the various determinants of demand.

OR

- b Elucidate the consumer survey method in demand forecasting.

- 14 a Bring out the managerial uses of Break-even point

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- b Explain the law of variable proportions.

- 15 a What are the phases of business cycle?

OR

- b Explain the various concepts of national income.

SECTION - C (30 Marks!)

Answer any THREE Questions

ALL Questions Carry EQUAL Marks (3 x 10 = 30)

- 16 Explain the nature and scope of business economics.
- 17 Explain the types and uses of elasticity of demand.
- 18 Examine the purpose of demand forecasting in business.
- 19 Discuss the various cost concepts applied in business economics.
- 20 Enumerate the meaning and features of oligopoly market.