

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

MCom DEGREE EXAMINATION MAY 2023
(Second Semester)

Branch – COMMERCE

ECONOMICS FOR BUSINESS DECISIONS

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (5 x 1 = 5)

1. Managerial economics generally refers to the integration of economic theory with business
(i) Ethics (ii) Management (iii) Practice (iv) All of the above
2. Which one of the following is not a method of measuring elasticity of demand?
(i) Arc method (ii) Percentage method
(iii) Point method (iv) None of these
3. When Marginal Product and average product both falls?
(i) AP lies below MP (ii) AP and MP intersect
(iii) MP lies below AP (iv) None of the above
4. What is the unique features of perfect competition concerning factors of production?
(i) All the factors of production have total mobility
(ii) All the factors of production don't have total mobility
(iii) Only capital does not have mobility while other factors of production have total mobility
(iv) Only labour has total mobility
5. Economic growth is normally coupled with
(i) Deflation (ii) Inflation (iii) Stagflation (iv) Hyper inflation

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 3 = 15)

6. a. State the business decision -- making in economics.
OR
b. Discuss the types of decisions.
7. a. Show the determinants of demand.
OR
b. Determine the concepts of Income and Cross elasticity of demand.
8. a. Classify the Fixed cost and Variable cost.
OR
b. Discuss the various economies of scale.
9. a. Explain the Price Discrimination.
OR
b. State the features of monopolistic competition.
10. a. Produce the phases of the business cycle.
OR
b. Classify the inflation.

Cont...

SECTION -C (30 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks (5 x 6 = 30)

11. a. Analyze the application of economic theories in decision making.
OR
b. Elucidate the important of economic theories and concepts.
12. a. Invent the reasons for demand curve sloping downwards.
OR
b. Enumerate the factors involved in demand forecasting.
13. a. Evaluate the law of variable proportions.
OR
b. Develop the characteristics of LAC curve.
14. a. Show how price and output are determined under the conditions of perfect competition in the short run and long run.
OR
b. Assess the different types of collusive oligopoly.
15. a. Analyse the precautions in computing national income.
OR
b. Appraise the important Economic Policies for business.

Z-Z-Z

END