

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BCom DEGREE EXAMINATION MAY 2022
(Second Semester)

Branch – COMMERCE (COST AND MANAGEMENT ACCOUNTING)

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 elasticity of demand of pins is _____
a) Elastic
b) Inelastic
c) Zero
d) Maximum
2. Which of the following is a characteristic of capital as a factor of production?
a) It never depreciates
b) It is fixed in supply
c) It is an active factor of production
d) It is a passive factor of production
3. Which market structure symbolizes the existence of 'few sellers'?
a) Oligopoly
b) Monopoly
c) Monopolistic competition
d) Perfect competition
4. Which agency regulates the money supply in India?
a) The Government of India
b) Commercial banks
c) Reserve Bank of India
d) Indian Banks
5. _____ is the policy that helps integrate a domestic economy with the world economy.
a) Liberalisation
b) Globalisation
c) Privatisation
d) Profit

SECTION - B (15 Marks)

Answer ALL Questions

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

- 6 a Explain the scope of Economics.
OR
b List out the causes of downward sloping of demand curve.
- 7 a What is production function?
OR
b Write short note on equilibrium of firm.
- 8 a Mention the Types of forms of market.
OR
b What are the features of oligopoly?
- 9 a Bring out the functions of IMF.
OR
b What are the problems of non-performing assets?
- 10 a What are major economic reforms?
OR
b What is FDI promotion?

Cont...

SECTION -C (30 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks

(5 x 6 = 30)

- 11 a Discuss the assumptions of the law of diminishing marginal utility.
OR
b Explain the factors determining supply.
- 12 a Describe the Law of variable proportions.
OR
b Distinguish between Average Revenue and Marginal Revenue.
- 13 a What are the features of perfect competition?
OR
b Explain the Price-output determination under Monopolistic Competition.
- 14 a Discuss the functions of Reserve Bank of India.
OR
b Elaborate the types of money banking.
- 15 a Explain start up for entrepreneurs.
OR
b What are the measures of National Income?

Z-Z-Z

END