



M 6369

Reg. No. :

Name :

IV Semester B.Com. Degree (CCSS – Regular/Supple./Improv.)
Examination, May 2014

CORE COURSE IN COMMERCE
4B06 COM : Business Economics
(2012 Admn.)

Time : 3 Hours

Max. Weightage : 30

PART – A

Two bunches of questions carrying **equal** weightage of **one**. Answer **all**.

- I. 1. Business Economics deals with
a) Firms and individuals b) Firms only
c) All the distribution theories d) Aggregate Economic
2. The law of demand states that
a) When income rises demand rises
b) When price rises demand rises
c) When price rises demand falls
d) When income and price rises demand rises
3. Incremental cost pricing is based on
a) Fixed cost b) Variable cost c) Total cost d) Average cost
4. Consumer behavior is
a) Fixed b) Changing c) Unwanted d) None (W=1)
- II. Match the following :
5. Short-run cost a) Cost plus pricing
6. Full cost pricing b) Cobb-Douglas
7. Production function c) T. Veblen
8. Prestige goods d) Marginal pricing
 e) Increase in Productivity
 f) TFC + TVC (W=1)

P.T.O.



PART – B

Answer **any eight**, **each** carries a weightage of **one**.

9. What do you mean by Economics ?
10. What is elasticity of demand ?
11. What is demand curve ?
12. What is consumer behaviour ?
13. What is demand forecasting ?
14. What are isocost curves ?
15. What is marginal product ?
16. Define price skimming.
17. Define long-run cost.
18. Define duopoly.

(W=8×1=8)

PART – C

Answer **any six**, **each** carries a weightage of **two**.

19. What are the factors affecting pricing decision ?
20. What are internal economies of scale ?
21. What are the different kinds of income elasticity ?
22. What are the advantages of large scale production ?
23. Why does demand curve slope downwards from left to right ?
24. What are the objectives of business economics ?
25. What is monopolistic competition ? What are its features ?
26. What are the steps in demand forecasting ?

(W=6×2=12)

PART – D

Answer **any two**, **each** carries a weightage of **four**.

27. Explain with examples the law of returns to scale.
28. Explain briefly the various methods of forecasting demand.
29. Examine in detail the pricing policy in respect of new products.

(W=2×4=8)