



Sambal

Avinashilingam Institute for Home Science and Higher Education for Women

(Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD)
Re-accredited with 'A++' Grade by NAAC. Recognised by UGC Under Section 12B
Coimbatore - 641 043, Tamil Nadu, India

Bachelor's Degree Examination - November 2024

I Semester

Class : I UG
Major : B.Com PA

Time : 3 Hours
Max. Marks : 100

23BCPC02 Business Economics

Course Outcomes :

- CO1: Develop knowledge about concepts, definitions, scope and problem and solving the business
CO2: Assess and evaluate the the demand and supply, price output determination.
CO3: Evaluate the theories and factors of production in the current
CO4: Provide and measure the price of various types of markets.
CO5: Knowledge about different phases of business cycles

Part A

Choose the Correct Answer

10 x 1 = 10

1. The 'Welfare definition' of Economics was introduced by _____
a. Adam Smith
b. Alfred Marshall
c. Lionel Robbins
d. J. R. Hicks
CO1K1
2. Micro-economics deals with the _____
a. economic behavior of the individual
b. economy as a whole
c. trade relations
d. economic growth of the society
CO1K1
3. The concept of 'Consumer Surplus' was introduced in Economics by
a. Prof. Robbins
b. Prof. Samuelson
c. Prof. Smith
d. Prof. Marshall
CO2K1
4. When the price elasticity of demand is equal to one, the demand curve is
a. Rectangular hyperbola
b. Parallel to the horizontal axis.
c. Parallel to the vertical axis
d. Negatively sloped straight line
CO2K2
5. A Production Function refers to _____
a. scale of production
b. relationship between resources
c. relationship between inputs and output
d. relationship between costs and output
CO3K1
6. Which cost remains constant even if production is stopped?
a. Fixed
b. Variable
c. Semi-Variable
d. Marginal
CO3K1
7. Which one of the following is a feature of a perfect competition?
a. Selling Cost
b. Group Behaviour
c. Homogenous Product
d. Differentiated Product
CO4K1
8. Pricing for selling the same commodity at different selling prices is known as _____.
a. skimming Pricing
b. differential Pricing
c. penetration Pricing
d. cost - Plus Pricing
CO4K2
9. The economy-wide fluctuations in production, trade and general economic activity is referred _____
a. business Cycle
b. economic cycle
c. trade cycle
d. all of the above.
CO5K2
10. A significant decline in general economic activity extending over a period of time is _____.
a. business cycle
b. contraction phase
c. recession
d. recovery
CO5K2

Part B
Answer ALL questions
Each answer should not exceed 400 words or two pages

5 x 6 = 30

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|--|-------|
| 11.a. Define economics. State its significance. | CO1K1 |
| (or) | |
| 11.b. Identify the objectives of the business firm. | CO1K1 |
| 12.a. Describe the three types of demand. | CO2K2 |
| (or) | |
| 12.b. Interpret the concept of consumer surplus. | CO2K2 |
| 13.a. Explain about the factors of production? | CO3K2 |
| (or) | |
| 13.b. Describe the characteristics of indifference curve. | CO3K2 |
| 14.a. Explain the concept of perfect competition and state its features. | CO4K4 |
| (or) | |
| 14.b. Evaluate how does a monopoly firm acquire monopoly power. | CO4K4 |
| 15.a. Describe the business cycle and analyse the characteristic features. | CO5K3 |
| (or) | |
| 15.b. Illustrate the methods of controlling trade cycle. | CO5K3 |

Part C
Answer ALL questions
Each answer should not exceed 800 words or four pages

5 x 12 = 60

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| 16.a. Explain the nature and scope business economics. | CO1K3 |
| (or) | |
| 16.b. Explain the concept of opportunity cost and how is this used in business decisions. | CO1K3 |
| 17.a. Discuss the law of demand with illustration. | CO2K4 |
| (or) | |
| 17.b. Assess the importance and practical uses of indifferences curve analysis. | CO2K4 |
| 18.a. Discuss the relationship between law of demand and law of diminishing marginal utility. | CO3K2 |
| (or) | |
| 18.b. Explain the assumptions of supply schedule and supply curve. | CO3K2 |
| 19.a. Explain the different pricing methods. | CO4K3 |
| (or) | |
| 19.b. Illustrate the price determination under perfect competition. | CO4K3 |
| 20.a. Trade cycle is purely monetary phenomenon – Discuss. | CO5K4 |
| (or) | |
| 20.b. Explain the different phases of business cycle. | CO5K4 |
