

QP CODE: 22101119



Reg No :

Name :

B.A DEGREE (CBCS) REGULAR / REAPPEARANCE EXAMINATIONS, APRIL 2022

Sixth Semester

Choice Based Core Course - EC6CBT02 - BUSINESS ECONOMICS

Common for B.A Economics Model I, B.A Economics Model II Foreign Trade & B.A Economics
Model II Insurance

2017 Admission Onwards

B1FDF25F

Time: 3 Hours

Max. Marks : 80

Instructions to Private candidates only: This question paper contains **two sections**. Answer **SECTION I** questions in the answer-book provided. **SECTION II**, Internal examination questions must be answered in the question paper itself. Follow the detailed instructions given under **SECTION II**

SECTION I

Part A

Answer any **ten** questions.

Each question carries **2** marks.

1. What is decision-making?
2. What is meant by resource allocation?
3. Demand
4. Giffen paradox
5. Point out the criteria of demand forecasting.
6. Explicit cost
7. Cost estimation
8. What are the objectives of a firm?
9. What is Penetration pricing?
10. Innovation Theory
11. What is Average rate of return method?
12. Net present value method

(10×2=20)

Part B



Answer any **six** questions.

Each question carries **5** marks.

13. Is Business Economics a science or an art?
14. Difference between Incremental concept and Opportunity concept.
15. Distinguish between income and cross elasticity of demand.
16. Explain the determinants of durable consumer goods.
17. Differentiate between historical cost and replacement cost.
18. Explain total cost, average cost and marginal cost.
19. Evaluate different pricing methods.
20. What are the assumptions underlining break even analysis?
21. How does capital budgeting help in long term investment decision making?

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. Explain the significance of business economics. Discuss the role of business economists.
23. What is demand forecasting? Discuss different methods of demand forecasting.
24. What are the properties of Cobb Douglas production?
25. Discuss internal rate of return in detail.

(2×15=30)