

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086**  
**(For candidates admitted from the academic year 2023 – 2024 & thereafter)**

**B.Com. DEGREE EXAMINATION, NOVEMBER 2024**  
**COMMERCE**  
**FIRST SEMESTER**

**COURSE : ALLIED CORE**  
**PAPER : BUSINESS ECONOMICS**  
**SUBJECT CODE: 23EC/AC/BE15**  
**TIME : 3 HOURS**

**MAX. MARKS: 100**

Q. No.	SECTION A PART A (10x2 = 20) ANSWER ALL QUESTIONS IN 50 WORDS EACH	CO	KL
1	Define the basic economic problems.	CO1	1
2	What is the law of demand?	CO1	1
3	List any two features of perfect competition.	CO1	1
4	Define elasticity of demand.	CO1	1
5	What is a production possibility curve?	CO1	1
6	State the equation of the budget line.	CO1	1
7	What are the determinants of supply?	CO1	1
8	What are isoquants?	CO1	1
9	What is a cartel?	CO1	1
10	What is opportunity cost?	CO1	1
Q. No.	SECTION A PART B (10x2 = 20) ANSWER ANY TEN OUT OF TWELVE QUESTION IN 50 WORDS EACH	CO	KL
11	State the role of price in solving the economic problems.	CO2	2
12	Define cross elasticity with an example.	CO2	2
13	Distinguish between fixed and variable costs.	CO2	2
14	What are internal and external economies of scale?	CO2	2
15	Why does advertising play an important role in monopolistic competition?	CO2	2
16	What is fiscal policy?	CO2	2
17	Define break even point.	CO2	2
18	Explain cost push inflation with an example.	CO2	2
19	Differentiate between short-run and long-run production functions.	CO2	2
20	Give any two differences between perfect and monopolistic competition.	CO2	2
21.	Distinguish between Inflation and deflation.		
22	State the features of a monopoly.		
Q. No.	SECTION B PART A (4x 5 =20) ANSWER ANY FOUR OUT OF SIX QUESTIONS IN 250 WORDS EACH	CO	KL
23	Explain the factors influencing elasticity of demand and the importance of price elasticity in business decisions.	CO3	3

24	Explain the relation between long-run average cost curves and economies of scale.	CO3	3
25	Compare and contrast monopoly and monopolistic competition with real-world examples.	CO3	3
26	Explain the impact of fiscal policy in controlling economic fluctuations.	CO3	3
27	Discuss the relation between average and marginal cost curves with diagrams.	CO3	3
28	Explain the phases of a business cycle and its influence in an economy.	CO3	3
<b>Q. No.</b>	<b>SECTION B PART A (4x 5 =20) ANSWER ANY FOUR OUT OF SIX QUESTIONS IN 250 WORDS EACH</b>	<b>CO</b>	<b>KL</b>
29	Analyse the theory of Kinked demand.	CO4	4
30	Discuss the applications of break-even analysis in business.	CO4	4
31	Examine the law of diminishing returns and analyse its relevance in business.	CO4	4
32	Discuss the causes and effects of inflation.	CO4	4
33	Analyse price and output decisions under price leadership.	CO4	4
34	Analyse the role of elasticity of demand in determining tax.	CO4	4
<b>Q. No.</b>	<b>SECTION - C ANSWER ANY TWO OUT OF FOUR IN ABOUT 600 WORDS (2x 10 =20)</b>	<b>CO</b>	<b>KL</b>
35	Discuss the importance and scope of demand forecasting. Explain various techniques used for forecasting demand in detail.	CO5	5
36	Explain the concept of producers' equilibrium with diagrams. Discuss its importance in production theory.	CO5	5
37	Analyze the features of different market structures with real life examples.	CO5	5
38	Suggest measures to correct economic fluctuations using monetary policies.	CO5	5

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