

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted from the academic year 2004 – 2005 & thereafter)

SUBJECT CODE : **EC/AC/EB23**

B. Com. DEGREE EXAMINATION, APRIL 2007
SECOND SEMESTER

COURSE : ALLIED – CORE
PAPER : ECONOMICS FOR BUSINESS
TIME : 3 HOURS. MAX. MARKS : 100

SECTION – A

ANSWER ALL QUESTIONS. EACH ANSWER NOT TO EXCEED
50 WORDS: (10X3=30)

1. What are the basic problems of an economy?
2. Define “Demand for a Commodity”.
3. Explain the concept ‘Cross elasticity of demand.
4. What is meant by demand forecasting?
5. What are Iso-quants?
6. Explain the following concepts.
a. Average Fixed Cost b. Average Variable Cost
7. Explain Average Revenue.
8. Enumerate the factors determining supply.
9. What is meant by internal diseconomies?
10. Define Monopolistic Competition.

SECTION – B

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED
300 WORDS. (5 x 6 = 30)

11. Explain in brief the factors determining market demand.
12. Discuss the features of perfect competition.
13. Explain the factors that account for increasing returns to scale
14. Bring out the relationship between average and marginal cost curves.
15. Explain the role of selling costs under monopolistic competition
16. What is meant by profit maximization?
17. What is mark-up pricing?

SECTION – C

**ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED
1200 WORDS. (2x20=40)**

18. Explain basic economic problems faced by an economy. How are they resolved in a socialist and capitalist economy?
19. Explain the important alternative techniques used for forecasting demand.
20. Examine in detail the Break-even analysis and bring out its limitations.
21. Explain price and output determination under monopoly. State the conditions essential for presence of monopoly.
