

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86
(For Candidates admitted during the academic year 2015 – 2016 and thereafter)
SUBJECT CODE: 15EC/AC/EB25
B.Com. / B.Com.(C.S) /B.Com.(A&F) DEGREE EXAMINATION APRIL 2018
COMMERCE
CORPORATE SECRETARYSHIP
ACCOUNTING & FINANCE
SECOND SEMESTER

COURSE : ALLIED - CORE

PAPER : ECONOMICS FOR BUSINESS

TIME : 3 HOURS

MAX.MARKS: 100

SECTION - A

ANSWER ANY TEN QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS:

(10 x 2 = 20)

1. List out the factor determinant of demand for the product.
2. Distinguish internal and external economics and diseconomics.
3. List out various types of elasticity of demand.
4. What is meant by Iso-quant? Represent it diagrammatically.
5. State the reason for keeping capital constant in the short-run production function.
6. State the relationship among AVC, AC and MC.
7. List out various types of the costs.
8. What is meant by price discrimination?
9. State the characteristics of perfectly competitive market.
10. Define Oligopoly.
11. State the assumptions of Baumol's sales maximization model.
12. What do you mean by margin of safety?

SECTION - B

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 400 WORDS:

(5 x 8 = 40)

13. Describe the concept of Movement vs Shifts in demand curve with representation.
14. Bring out the significance of demand forecasting.
15. Explain producer's equilibrium in terms of cost-constraint.
16. From the given data find AC, TC, TFC and TVC.

Qty. of Capital (K)	Amount of Labour Employment (L)	P _K (Per Unit)	P _L (Per Labour)
1	10	1000	500
2	12	1000	475
3	15	1000	425
4	20	1000	350
5	23	1000	250
6	25	1000	300
7	26	1000	400

17. Explain the following cost concepts:
- | | |
|------------------------|---------------------------------|
| (i) Accounting cost | (ii) Historical Cost |
| (iii) Opportunity Cost | (iv) Implicit and Explicit Cost |
18. Discuss the concept of price rigidity in terms of cost and output variations with the help of kinked demand curve.
19. Discuss the role and importance of Break-even analysis.
20. Discuss various types of price discrimination under monopoly.

SECTION - C

ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1000 WORDS:

(2 x 20 = 40)

21. Discuss various types of elasticity of demand.
22. Discuss the 'Law of Variable Proportion' and 'Returns to Scale' in Theory of production.
23. Discuss various short-run and long-run cost curves.
24. Determine price and output of the firm under perfect competition in the short-run.
