

INDIAN INSTITUTE OF MANAGEMENT AND COMMERCE

RE-ACCREDITED WITH NAAC 'A+' GRADE

AN ISO 9001: 2015 CERTIFIED COLLEGE

Subject: BUSINESS ECONOMICS CLASS: B.Com III Year (Gen)

Faculty: Dr.D.Thirumala Rao, Vice-Principal (Academic) & Associate Professor

UNIT - I

Short Answer Questions:

1. Definition of (i) Wealth (ii) Welfare and (iii) Scarcity.
2. Concept of Business Economics
3. Micro Economics
4. Macro Economics
5. Cardinal and Ordinal Utility
6. Consumer's Equilibrium
7. Marginal Utility

Long Answer Questions:

1. Define Business Economics. Explain its nature and scope.
2. Distinguish between Micro and Macro Economics.
3. State and explain the Law of Diminishing Marginal Utility.
4. Critically examine the Law of Equi-Marginal Utility.

UNIT - II

Short Answer Questions:

1. Demand Schedule
2. Demand Function
3. Law of Demand
4. Market Demand
5. Individual Demand
6. Giffen Goods
7. Veblen Goods
8. Point Elasticity
9. Elasticity of Demand
10. Price Elasticity & Income Elasticity of Demand

Long Answer Questions:

1. State the Law of Demand with its exceptions.
2. Explain the factors that cause shift in demand curve.
3. Distinguish between Price Elasticity & Income Elasticity of Demand.
4. What are the determinants of Demand.
5. Distinguish between Arc Elasticity and Point Elasticity.
6. Discuss the nature and types of elasticity of demand.
7. Explain various methods of measurement of elasticity of demand.
8. How do you measure price elasticity of demand.

UNIT - III

Short Answer Questions:

1. Supply Vs Stock
2. Supply Function
3. Law of Supply
4. Consumer's Surplus
5. Assumptions of Utility Analysis
6. Consumer Behaviour
7. Indifference Curve Analysis
8. Consumer's Equilibrium

Long Answer Questions:

1. Explain the Law of Supply and its exceptions.
2. What is Market Equilibrium?
3. Explain the Marshallian concept of Consumer's Supply.
4. Explain the properties of Indifference Curves.
5. Explain the concept of Marginal Rate of Substitution (MRS).

UNIT - IV

Short Answer Questions:

1. Meaning of Production
2. Cobb-Douglas Production Function
3. Short Run Production Function
4. Long Run Production Function
5. Returns to Scale
6. Isoquants
7. Iso-Cost Line
8. Producer's Equilibrium
9. Economies of Scale
10. Marginal Rate of Technical Substitution (MRTS)

Long Answer Questions:

1. Explain the Law of Variable Proportions.
2. Explain the short-run and long-run production functions.
3. Explain the concept of producer's equilibrium with iso-quants.
4. Distinguish between internal and external economies.
5. Examine production function with two variable inputs.

UNIT - V

Short Answer Questions:

1. Explicit and Implicit Costs
2. Average Variable and Average Fixed Costs
3. Short-Run Vs Long-run Cost
4. Break-Even Analysis
5. Break-Even Point
6. Total Cost
7. Marginal Cost
8. Average Revenue
9. Marginal Revenue
10. Relationship between TR, AR & MR

Long Answer Questions:

1. Explain the shape of cost curve of a firm.
2. Explain the modern short run and long run cost curves.
3. Explain the relationship between Average Cost and Marginal Cost.
4. What is Break-Even Point? State its assumptions and limitations.
5. Explain the relationship between TR, AR & MR with a suitable curve.
6. Explain the relationship between AC & MC with a suitable illustration.
