PG Odd Semester (CBCS) Exam., December—2016

COMMERCE

(1st Semester)

Course No. : COM–104 (C)

(Business Economics)

Full Marks : 75
Pass Marks : 30

Time : 3 hours

The figures in the margin indicate full marks for the questions

Answer **five** questions, taking **one** from each Unit

UNIT—I

1. State and explain revealed preference theory of law of demand. Do you think it is an improvisation over indifference curve approach of presenting theory of law of demand? Explain your view. 12+3=15

2. Define business economics. Discuss the crucial functions of a business manager from the perspective of business economics. 5+10=15

UNIT—II

3. Discuss the law of return to scale with the help of graphical method. Why does economics of scale arise? Explain. 9+6=15

4. Explain the cost-output relation with the help of a suitable diagram. 15

UNIT—III

5. How is price determined under discriminating monopoly? Explain. 15

6. Define duopoly. Explain how market is shared by the duopolist and find equilibrium. 4+11=15

UNIT—IV

7. Discuss the Schumpeter's theory of trade cycles. Point out major criticism of this theory. 12+3=15

8. Mention different phases of a trade cycle. Which phase do you think most costlier for labour class in the economy? Explain. 9+6=15

UNIT—V

9. Define development finance. What are the major sources of development finance? Discuss. 3+12=15

10. Delineate the formula of sharing tax proceed between the Centre and States. 15

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