PG (Even) Semester Examination, September, 2023

COMMERCE

(2nd Semester)

Course No.: COM-552

(Business Economics)

Full Marks: 70

Pass Marks: 28

Time: 3 hours

The figures in the margin indicate full marks for the questions.

Answer any five questions, taking one from each unit.

UNIT-I

1. What is elasticity of demand? What are the factors determining price elasticity of demand? Also discuss the importance of elasticity of demand in business decision making. 2+6+6=14

2. What is demand forecasting? Discuss the various techniques of demand forecasting. 4+10=14

UNIT-II

3. Discuss the law of diminishing marginal utility with suitable examples. What are the criticisms of the law? 10+4=14

Turn Over

4. What is an indifference curve? Discuss the consumer's equilibrium under indifference curve analysis. 4+10=14

UNIT-III

5. Critically examine the law of variable proportions with suitable examples. 14

6. "The long run average cost curve is the envelope of short run average cost curves"— Explain the statement with the help of diagrams. 14

UNIT-IV

7. Differentiate between monopolistic competition and perfect competition. Explain how price and output are determined under monopolistic competition. 4+10=14

8. Write short notes on (any two) : 7x2=14

   (i) International price discrimination

   (ii) Oligopoly

   (iii) Transfer pricing

UNIT-V

9. Why interest is charged and paid? Critically example the Keynisian theory of interest. 2+12=14

10. Discuss Knight's uncertainty bearing theory of profit. What are its criticisms. 10+4=14

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