4. Answer the following questions (any two) : 12×2=24

(i) Illustrate the stages of short run production function with suitable example.

(ii) How are price and output determined in perfect compitition? Explain with graphical presentation.

(iii) Critically examine innovation theory of business cycle.

(iv) Discuss the determinants of market demand.

Total number of printed pages–4

63/2 (SEM-1) COMADL14034

2024

COMMERCE

Paper – COMADL14034

(Business Economics)

Full Marks : 70

Time : Three hours

The figures in the margin indicate full marks for the questions

1. Choose the correct answer: 1×6=6

(i) The relationship between cost and output is:

(a) either linear or non-linear

(b) neither linear nor non-linear

(c) both linear and non-linear

(d) only linear in nature

(ii) The primary objective of monetary policy is—

(a) to earn more profit by the firms

(b) to achieve economic stability

(c) to expand infrastructure in rural areas

(d) to establish banks in urban areas

(iii) Under perfect competition, all firms earn:

(a) super normal profit

(b) normal profit

(c) abnormal profit

(d) no profit

(iv) Box-Jenkins method is applied to:

(a) stationary time series data

(b) non-stationary time series data

(c) to check the condition of economy

(d) to check patients of a hospital

(v) Managerial economics arises when:

(a) application of economic theories in management

(b) expansion of sales

(c) construction of buildings

(d) earning of profits

2. Answer the following questions **(any five)**: 2×5=10

(a) What is infeiror goods?

(b) What is income elasticity of demand?

(c) What is dumping?

(d) What is product defferentiation?

(e) How is inflation calculated in India?

(f) What is increasing return to scale?

(g) What is recession?

3. Answer the following questions (any six) : 5×6=30

(a) Describe individual and market demand with suitable diagramme.

(b) Explain price elasticity of demand and its application is business.

(c) Explain graphical method of demand forecasting.

(d) Write a short note on short run cost-output relation.

(e) What is economics of scale? Explain.

(f) Write the problems associated with transfer pricing.

(g) What are the main causes of inflation in India?

(h) Write a note on Psychological theory of busines cycle.

(i) Explain oligopoly market.