



QP CODE: 24020578



24020578

Reg No : .....

Name : .....

**BFM DEGREE (CBCS) REGULAR / IMPROVEMENT / REAPPEARANCE  
EXAMINATIONS, MAY 2024**

**Second Semester**

Bachelor of Financial Markets

**Complementary Course - FM2CMT02 - BUSINESS ECONOMICS**

2017 ADMISSION ONWARDS

01809C31

Time: 3 Hours

Max. Marks : 80

**Part A**

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. What do you mean by Business Economics?
2. Mention the steps in decision making.
3. What is Demand Curve?
4. What is Price elasticity of demand?
5. Mention three managerial uses of income elasticity of demand.
6. What do you mean by short term demand forecasting?
7. What is Economies of Scale?
8. Write a note on Cost function.
9. What is cost control?
10. What is perfect competition?
11. What are the degrees of price discrimination?
12. What is duopsony?

(10×2=20)

**Part B**

*Answer any **six** questions.*

*Each question carries **5** marks.*





13. Briefly explain: Spontaneous and rational decisions, Programmed and non-programmed decisions, Individual and group decisions, Short run and long run decisions.
14. What are the elements of decision making?
15. Explain about Extension and Contraction of Demand with the help of a diagram.
16. What are the steps in demand forecasting?
17. When price of a commodity X falls by 20 per cent, its demand rises from 120 units to 150 units. Calculate its price elasticity of demand. How much should be the percentage fall in its price so that its demand rises from 120 to 180 units?
18. Explain the Cobb-Douglas production function.

19.

Output	0	1	2	3	4	5	6
Fixed Cost	120	120	120	120	120	120	120
Variable Cost	0	60	100	135	160	210	276

Calculate TC, AFC, AVC, ATC, MC and the least cost input combination.

20. What are the objectives of pricing policy?
21. What is imperfect competition? Explain.

(6×5=30)

### Part C

Answer any **two** questions.

Each question carries **15** marks.

22. What is Price elasticity of demand? Explain the degrees of Price elasticity of Demand.
23. What are Isoquant? Explain it with the help of diagram. What are the properties of Isoquants? What do you mean by Iso cost line?
24. What do you mean by Cost? Explain in detail the different types of costs.
25. What are the features of oligopoly? Also explain kinked demand curve.

(2×15=30)

