



QP CODE: 25050521



25050521

Reg No :

Name :

MSc DEGREE (CSS) EXAMINATION DECEMBER 2025

First Semester

M Sc ACTUARIAL SCIENCE

Core Courses - AS010103 - BUSINESS ECONOMICS - I

2019 Admission Onwards

A190B79C

Time: 3 Hours

Weightage: 30

Part A (Short Answer Questions)

*Answer any **eight** questions.*

Weight 1 each.

1. What is mixed economy?
2. Distinguish between marxist socialism and neoclassical approach.
3. What causes excess supply?
4. Briefly explain how risk differs from uncertainty.
5. Define marginal utility and total utility.
6. Define Average total cost, Average fixed cost and Average variable cost.
7. Define Productive Efficiency and Allocative efficiency in perfect competition.
8. What is game theory in economics?
9. What do you mean by price discrimination?
10. What are the different stages of the product life cycle.

(8×1=8 weightage)

Part B (Short Essay/Problems)

*Answer any **six** questions.*

Weight 2 each.

11. What is the difference between micro economics and macro economics?
12. Describe the factors that influence the market demand.
13. A firm's total revenue is Rs.100 crores, its total cost is Rs.120 crores and its total fixed cost is Rs.40 crores. Should the firm stay in business? Why?
14. Explain with the help of a diagram, the short run and long run shut-down point.





15. Explain why contestable markets generally function more efficiently than noncontestable markets.
16. What are advantages and disadvantages of oligopoly?
17. Explain why marketing mix is a significant tool for creating the right marketing strategy.
18. What are the advantages and disadvantages of advertising?

(6×2=12 weightage)

Part C (Essay Type Questions)

*Answer any **two** questions.*

Weight 5 each.

19. What are the effects of price controls? Explain how these controls are effectively used by governments for welfare maximisation.
20. Explain how an insurance company can spread its risks.
21. Discuss whether monopoly is always an undesirable form of market structure.
22. Product differentiation is important in today's financial climate'. Substantiate the statement.

(2×5=10 weightage)

