

**St. Xavier's College, Jaipur**

**Question Bank**

**B.Com 1**

**Subject: Business Economics**

**Unit-I**

**Very Short Questions**

- Q.1 Differentiate Between Traditional Economics and Business Economics.
- Q.2 Point out any two characteristics of Business Economics.
- Q.3 Give any two limitations of Micro Economics.
- Q.4 Give two points of importance of Macro Economics.
- Q.5 Who Advocated Ordinal Utility?
- Q.6 What is Marginal Utility?
- Q.7 Who advocated Cardinal Utility approach?
- Q.8 Why does Mu become Negative?
- Q.9 Describe two important functions of Business Economist.
- Q.10 What is Consumer Surplus?

**Short Questions**

- Q.1 Discuss the relationship of Business Economics with Management.
- Q.2 What is the importance of Business Economics in Business Decisions?
- Q.3 Explain the interdependence of Micro and Macro Economics.
- Q.4 What is the Scope of Macro Economics?
- Q.5 What is Consumer Equilibrium?
- Q.6 What is the importance of Law of Diminishing Marginal Utility.

**Long Questions**

- Q.1 What do you mean by Business economics? Examine the role and responsibilities of managerial economist in business decisions?
- Q.2 Distinguish between Micro and Macro Economics. How do Micro and Macro analysis help in the formulation of business policies?
- Q.3 What do you mean by Business economics? Discuss its Scope.
- Q.4 Differentiate between Cardinal and Ordinal approach for the measurement of Utility. Explain the Law of Diminishing Marginal Utility. What are the reasons responsible for the law?
- Q.5 What is the concept of Utility? How it is different from Satisfaction? Prove that the Total Utility is maximum only when the Marginal Utility is Zero.

## **Unit-2**

- Q.1 What Are the Two Key Factors That Affect Demand?
- Q.2 What Does the Term "Elasticity of Demand" Measure?
- Q.3 What is Demand Schedule?
- Q.4 What is Supply Curve?
- Q.5 What Is the Demand Function?
- Q.6 What is Demand Forecasting?
- Q.7 What is Opportunity Cost?
- Q.8 What is Cost Function?
- Q.9 What is Marginal Revenue?
- Q.10 What is Cross Elasticity of Demand?

### **Short Answer Type Questions**

- Q.1 What Is the Difference Between "Change in Demand" and "Change in Quantity Demanded"?
- Q.2 What are the determinants of Demand?
- Q.3 Differentiate between Explicit and implicit Cost.
- Q.4 Differentiate between Accounting and economic cost.
- Q.5 What is the relevance of Demand Forecasting in Managerial decision Making?
- Q.6 What is Law of Supply?

### **Long Answer Type questions**

- Q.1 What is Indifference Curve? Explain its features.
- Q.2 Discuss the Law of Demand.
- Q.3 Discuss the methods of Demand Forecasting.
- Q.4 What is Cost function? Discuss the Cost Output relationship with the help of diagram.
- Q.11 How Elasticity of Demand is measured?

## **Unit-3**

### **Very Short Questions**

- Q.1 What is the short-run production function?
- Q.2 What is the long-run production function?
- Q.3 What is the relationship between fixed inputs and the short run?
- Q.4 What is market structure in economics?
- Q.5 What are the four primary market structures?
- Q.6 What is Market Price?
- Q.7 Who has given the concept of Kinked Demand Curve
- Q.8 What is price Leadership?
- Q.9 What is shut Down Point?
- Q.10 One from Book

### **Short Questions**

- Q.1 What are the main factors that influence price determination?
- Q.2 What are features of Oligopoly Market?
- Q.3 Explain the concept of Kinked Demand Curve
- Q.4 Explain the concept of Economies of Scale.
- Q.5 What is price Leadership in Oligopoly Market?
- Q.6 Why Perfect Competitive Market gets the Abnormal Profit in Long Run?

### **Long Answer Type questions**

- Q.1 Explain Law of Variable Proportion.
- Q.2 Explain Law of Returns to Scale.
- Q.3 What is Perfect Competition? How the price is determined in it?
- Q.4 What is Monopolistic Competition? How the price is determined in it?
- Q.5 In Monopoly Market? How the price is determined in it?

### **Unit-4**

#### **Very Short Questions**

- Q.1 What is GDP?
- Q.2 What is Net Indirect Taxes?
- Q.3 What is a business cycle?
- Q.4 How does the classical theory of rent define economic rent?
- Q.5 What is Nominal Wages?
- Q.6 What is Marginal Wage Rate?
- Q.7 What is Quasi Rent?
- Q. 8 What is Gross Interest?
- Q. 9 How Keynes has defined Interest?
- Q.10 Define Transfer Earning.

### **Short Questions**

- Q.1 What is the difference between nominal and real national income?
- Q.2 What are the key concepts in the Knightian theory of profit?
- Q.3 What is the dynamic or Schumpeterian theory of profit?
- Q.4 What role does monetary policy play in the monetary theory of business cycles?
- Q.5 How Business Cycles can be controlled?
- Q.6 What are the main components of National Income?

### **Long Questions**

- Q.1 What is National Income? Does the increase in national income always promote welfare?
- Q.2 Discuss the different phases of business Cycles.
- Q.3 What is National Income? How it is calculated?
- Q.4 Critically discuss the Liquidity Preference theory of Interest.
- Q.5 Critically explain the theory of Rent propounded by David Ricardo.