

# important questions

## Business Economics

### unit-1

#### (a) long questions

1. Explain nature, characteristics, importance and role of Business Economics.
2. Discuss the scope and objectives of micro and macro economics.
3. Illustrate law of diminishing marginal utility. Is it applicable universally?
4. State and explain law of equi-marginal utility. Is it applicable universally?

#### (b) short questions

1. Business Economics
2. micro Economics
3. macro Economics
4. marginal utility
5. Total utility.

### unit-11

#### (a) long questions

1. Explain factors influencing demand.
2. Illustrate law of demand. Is it applicable universally?
3. What is elasticity of demand. Explain different types of price elasticity of demand.
4. Explain classification of goods according to income elasticity and cross elasticity of demand.
5. Explain methods of measurement of elasticity of demand. Explain its importance.

#### (b) short questions

1. meaning of demand
2. demand function
3. demand curve
4. income effect
5. substitution effect
6. Giffen paradox
7. Veblen effect. cont...

### UNIT-III

#### (a) long questions

1. Explain factors influencing supply in detail.
2. state and explain law of supply. Is it applicable - universally?
3. what is market equilibrium? Explain how it is attained?
4. what is consumer surplus? Explain its assumptions, importance and limitations.
5. Explain indifference curve analysis in detail

#### (b) short questions:

1. meaning of "stock" and "supply"
2. supply function.
3. consumer surplus
4. Backward bending - supply curve
5. D.M.R.S

### UNIT-IV

#### (a) long questions.

1. state and explain law of variable proportions with assumptions and exceptions.
2. state and explain law of returns to scale along with assumptions.
3. Discuss economies and diseconomies of scale.
4. what are isoquants? Explain their properties and production with help of isoquants.

#### (b) short questions

1. MRTS
2. Iso costs
3. production
4. production - function
5. marginal production.

## UNIT - V

### (a) long question

1. Explain the classification of cost as per traditional and modern approach.
2. Explain the relation between Total cost, average cost and marginal cost.
2. Explain the relation between total revenue, average revenue and marginal revenue.
4. what is Break even analysis? what are its uses and limitations

### (b) short questions

1. Opportunity cost.
2. Fixed cost - variable cost
3. Break even volume.