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**DHANALAKSHMI SRINIVASAN COLLEGE
OF ARTS & SCIENCE FOR WOMEN
(AUTONOMOUS)**

(For Candidates admitted from 2020-2021 onwards)



UG DEGREE EXAMINATIONS APRIL - 2021

BBA - AVIATION MANAGEMENT

BUSINESS ECONOMICS

Time: 3 Hrs

Max.Marks: 75

PART - A

CHOOSE THE CORRECT ANSWER

(10X1=10)

1. Managerial Economics is

a) Dealing only micro aspects	b) Only a normative science
c) Deals with practical aspects	d) All of the above
2. The techniques of optimization include

a) Marginal analysis	b) Calculus	c) Linear programming	d) All of the above
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3. Basic assumptions of law of demand include

a) Prices of other goods should change.
b) There should be substitute for the commodity.
c) The commodity should not confer any distinction.
d) The demand for the commodity should not be continuous
4. Higher the price of certain luxurious articles, higher will be the demand, this concept is called

a) Giffen effects	b) Veblen effects
c) Demonstration effects	d) both b&c above
5. The function of combining the other factors of production is done by

a) Land	b) labour	c) Capital	d) Entrepreneurship
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6. The short run production function is called;

a) Returns to scale	b) law of variable proportion
c) Production possibility frontier	d) none of these
7. Which are the characteristics of monopoly?

a) Single seller or producer	b) No close substitutes
c) Inelastic demand curve	d) All of these
8. Product differentiation is the important feature of

a) Monopoly	b) perfect competition
c) Monopolistic competition	d) monophony

9. In the above function, the letter Y stands for
a) Yield of production b) Income of consumers c) Utility d) Supply
10. An increase in income may lead to an increase in the quantity demanded, it is
a) Positive income elasticity b) Zero income elasticity
c) Negative income elasticity d) unitary income elasticity

PART - B

ANSWER ALL THE QUESTIONS

(5X7=35)

11. a) Distinguish between micro and macro economics.

(OR)

b) What is mixed economy? What are its merits and demerits?

12. a) State the law of diminishing marginal utility. What is its assumption?

(OR)

b) What are the various types of elasticity of demand?

13. a) Factors of Production – Explain.

(OR)

b) Explain the types of Isoquant analysis.

14. a) What are the features of monopolistic competition?

(OR)

b) Explain the kinked demand curve.

15. a) State the marginal productivity theory of wages and criticize the theory.

(OR)

b) State Ricardian theory of rent and point out its features.

PART - C

ANSWER ANY THREE QUESTIONS

(3X10=30)

16. Discuss the nature and scope of business economics.

17. What's the Relationship Between Indifference Curve and MRS?

18. Explain the economic of large scale production & limitation.

19. Describe the features of perfect competition. How is price fixed under perfect competition?

20. Explain the scope and importance of public finance.