

**Subject code: AECM101T/AEBM101T**

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**PART A**

**Unit 1**

1. Define Economics.
2. Define Business economics
3. Define Economics in the words of Adam Smith
4. What is Micro and macro economics
5. Define 'Economics' in the words of Marshall
6. Define 'Economics' according to Robbins.
7. What are the defects of Adam Smith's definition of Economics?
8. State the Growth definition of Economics.

**Unit 2**

1. Define demand
2. What is meant by Demand
3. Explain demand curve
4. What do you mean by demand schedule
5. State the Law of Demand.
6. What is meant by Giffen paradox?
7. What is meant by Giffen goods?
8. What is meant by VEBLEN effect?
9. What is meant by substitute goods?
10. What is meant by complementary goods ?
11. Define Elasticity of Demand.
12. What do you mean by Elasticity of Demand ?
13. What are the types of Elasticity?

14. What is meant by Demand Forecasting?

15. Define the term Demand Forecasting.

### **Unit 3**

1. Define indifference curve
2. Explain indifference schedule .
3. Explain Iso utility curve.
4. Explain indifference map and scale of preference
5. What is budget line / price line ?
6. Write short note on marginal rate of substitution .
7. Explain consumer equilibrium.
8. Define Consumer Surplus.

### **Unit 4**

1. What are the factors of production?
2. What is meant by production function
- 3.
4. What are the function of capital
5. What do you mean by capital formation?
6. What is meant by returns to scale?
7. What are the three stages of laws of production?
8. What does Cobb Douglas production function state?

### **Unit 5**

1. Explain the term cost of production
2. Differentiate fixed cost and variable cost
3. What do you mean by marginal cost
4. Explain the relationship between average and marginal cost
5. Explain total cost
6. Define opportunity cost
7. Explain Explicit & Implicit cost .
8. What do you mean by Opportunity cost
9. What is meant by Incremental cost?
10. Differentiate Incremental cost & Marginal cost
11. Explain fixed cost & variable cost.

12. What is social cost?
13. Differentiate social cost and private cost.
14. What is meant by Sunk cost?
15. Explain Shutdown cost & Abandonment cost .
16. Explain Accounting cost & Economic cost .
17. Explain Past cost & Future cost .
18. Explain Direct cost & Indirect cost.
19. What is meant by plant curves?

## **PART B**

### Unit 1

1. Bring out the scope of Business Economics.
2. Differentiate micro economics and macro economics .
3. Explain the role of a Business Economist
4. Explain the relationship between Business Economics & other disciplines .

### Unit 2

1. What are the factors influencing demand for commodity
2. Define elasticity of demand and explain price elasticity
3. Explain Income elasticity of demand.
4. Explain Cross elasticity of demand.
5. Discuss the short term objectives forecasting
6. What are the long term objectives of forecasting

### Unit 3

1. Bring out the assumptions of Indifference curve analysis.
2. Explain Marginal rate of substitution.
3. In detail explain budget line /price line .
4. Explain the concept of Consumer equilibrium .
5. Critically explain Consumer Surplus.

## Unit 4

1. Explain production function.
2. Briefly Explain The factors of production.
3. What are the assumptions of the law of variable proportion?
4. What are the causes for diminishing return to scale ?

## Unit 5

1. Analyse the cost output relationship in the short period.
2. Explain the relationship between AC and MC.
3. Differentiate short run & long run cost.
4. Explain the marginal cost .

## **PART C**

### Unit 1

1. Critically examine Adam smith's definition of economics
2. Critically Explain scarcity definition of economics
3. What are the two branches of economics
4. Discuss the nature and scope of business economics
5. Critically explain Welfare definition of Economics.
6. Explain the Growth Definition.

### Unit 2

1. State & explain the Law of Demand.
2. Explain the exceptional cases in demand.
3. What are the various types of price elasticity demand ?explain with diagram
4. Explain the objectives of demand forecasting.

### Unit 3

1. Critically evaluate IC analysis .
2. Explain marginal rate of substitution .
3. State the properties /characteristic of indifference curve .
4. Explain the consumer surplus.

## Unit 4

1. Discuss the importance production function .
2. Explain cobb-Douglas production function .
3. Difference between laws of variable proportion and return to scale .
4. Explain the Law of returns to scale.
5. Explain the Law of variable proportion.

## Unit 5

1. Bring out the cost –output relationship in the short period.
2. Discuss -In the long term all cost are variable
3. Prepare an imaginary cost schedule and illustrate it with TC, VC, FC, AC and MC and discuss their relationship .how is the shape the cost curve determined
4. Why is **LAC** (long run average cost curve) U shaped in long run