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# PRESIDENCY UNIVERSITY

BENGALURU

## Mid - Term Examinations – October 2025

Date: 08-10-2025

Time: 11.45am to 01.15pm

School: SOC/SOM-UG	Program: B.Com CA (Foundation)	
Course Code: CBS1032	Course Name: Business Economics	
Semester: I	Max Marks: 50	Weightage: 25%

CO - Levels	C01	C02	C03	C04	C05
Marks	10	20	20	-	-

### Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Do not write anything on the question paper other than roll number.

### Part A

Answer ALL the Questions. Each question carries 2 marks.

5Q x 2M=10M

1	Define "normative science" and give one example.	2 Marks	L1	C01
2	When do you use "Point Elasticity Method" to compute price elasticity of demand. Aso, write the formula to compute the same.	2 Marks	L1	C01
3	What is a "Marginal Rate of Substitution" and the formula to compute it.	2 Marks	L1	C01
4	Explain "Constant Returns to Scale" in Law of Returns to Scale.	2 Marks	L1	C01
5	What is "Implicit Cost" and give one example for the same.	2 Marks	L1	C01

### Part B

Answer ALL the Questions. Each question carries 10 marks.

4Q x 10M=40M

6.	Write any five characteristics of Business Economics.	10 Marks	L2	C02
Or				
7.	What is Capitalist Economy and write any five features of a capitalist economy.	10 Marks	L2	C02

<b>8.</b>	Define "Indifference Curve". Write the assumptions of "Indifference Curve" theory.	<b>10 Marks</b>	<b>L2</b>	<b>C02</b>
<b>Or</b>				
<b>9.</b>	Define "Labour" as per Economics and Explain any five characteristics of "Labour".	<b>10 Marks</b>	<b>L2</b>	<b>C02</b>

<b>10.</b>	Write the five reasons for Law of Demand.	<b>10 Marks</b>	<b>L3</b>	<b>C03</b>
<b>Or</b>				
<b>11.</b>	Write any six determinants of supply.	<b>10 Marks</b>	<b>L3</b>	<b>C03</b>

<b>12.</b>	Write all the properties of "Indifference Curves".	<b>10 Marks</b>	<b>L3</b>	<b>C03</b>
<b>Or</b>				
<b>13.</b>	How does the Price of the good itself, Price of related goods and Income of the consumer affect demand? Also, Explain the type of relationship (positive or negative).	<b>10 Marks</b>	<b>L3</b>	<b>C03</b>