F.Y.BBI- Sem I- A.T.K.T. Exam- Mar'2023

Dt:- 23/3/23

Maximum Marks: 75

Duration : 2 ½ hours

All Questions are Compulsory Carrying 15 Marks each.

Subject: Economics (FYBBI)

Q1 A. Match the Column: (Any 8)   Marks 8

Column A	Column B
1) Different prices in different markets	a) Dumping
2) Non- transferability of goods	b) Third degree price discrimination
3) Charging higher prices at home and low price in the world market	c) Elasticity of demand should differ in different market
4) Price discrimination to be profitable	d) Conditions for price discrimination
5) In oligopoly the products are mostly	e) Non-price completion
6) Price rigidity in oligopoly leads	f) Differentiated
7) Price leadership aims at	g) Kinked demand curve
8) Higher rate of discount	h) Avoiding price war
9) Monopolistic competition	i) OPEC
10) Oligopoly	j) Advertising cost

Q1 B. State whether the following statements are true or false (Any 7)   Marks 7

1) Economics is the science of choices.
2) In case of a non-linear curve, the slope will be different at different points.
3) Demand for a commodity is only the desire for the commodity.
4) Price expectation is an exception to the Law of Demand.
5) Returns to scale occurs due to indivisibility of some factors.
6) Average cost increases due to increase returns to scale.
7) Break-even analysis helps to determine sales and marketing strategies.
8) At break-even point TR=TC
9) For price discrimination product must differ in quality.
10) In dumping, a monopolist is a price taker in the world market.

Q2. Define Business Economics and its scope.   Marks 15
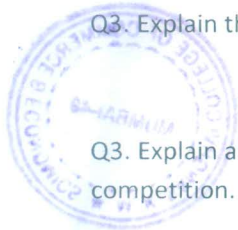
OR

Q2. Explain the Law of Demand with assumptions, exceptions, schedule and diagram. Marks 15

Q3. What is demand forecasting and explain its methods and steps?   Marks 15

OR

Q3. Explain the law of returns to scale   Marks 15

                OR

Q3. Explain and draw diagrams related to long-run and short firms equilibrium under perfect
competition.   Marks 15

Q4. From the given data below find out the TC, MC, AFC,AVC and ATC. The firms Total Fixed Cost is
100 and explain the relationship between AC, AFC, AVC and MC.   Marks 15

Quantity	0	1	2	3	4	5	6	7	8	9	10
TVC	0	25	40	50	70	100	145	205	285	385	515

                OR

Q4. Explain Break-even Analysis theory in detail .   Marks 15

Q5 A. Explain Cost plus Pricing and Multi-product pricing in detail.   Marks 08

Q5 B. Explain various types of market structures.   Marks 07

                OR

Q5 C. Write Short notes (Any 3)   Marks 15

    1) Kink demand curve
    2) Isoquants
    3) Income elasticity of demand
    4) Opportunity cost
    5) Cost-output relationship