

Q.1 A) Select the best answer from the given options and rewrite the statement. (Any Ten)

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- i) The demand for a product is the amount that
- a) Buyers purchase in the market
 - b) Buyers are willing to purchase at a given price
 - c) Buyers are willing and able to purchase at alternative prices
 - d) Buyers are able to purchase at a specific price.
- ii) The downward sloping curve indicates that
- a) As price increases, quantity demanded decreases
 - b) As price increases, quantity demanded increases
 - c) As price decreases, quantity demanded increases
 - d) None of the above
- iii) Expert opinion is a _____
- a) Survey method
 - b) Statistical method
 - c) Both a and b
 - d) None of the above
- iv) Demand is relatively inelastic when,
- a) $E_d = 1$
 - b) $E_d > 1$
 - c) $E_d < 1$
 - d) $E_d = 0$
- v) Sunk cost means _____
- a) Cost that is recovered
 - b) Cost of foregone alternatives
 - c) Both a and b
 - d) None of the above
- vi) Breakeven point is reached when a firm _____
- a) Earns zero profit
 - b) Covers fixed cost
 - c) Covers variable cost
 - d) All the above
- vii) Time series analysis considers _____
- a) Trends
 - b) Cyclical & seasonal fluctuations
 - c) Irregular movements
 - d) All the above
- viii) Demand forecasting is always
- a) Unreliable
 - b) Accurate
 - c) Conditional
 - d) None of the above

- ix) Economies of scale exist when
- Increasing production reduces average cost
 - Increasing returns applies in the short term
 - Doubling factor input doubles output
 - Greater experience in producing the product reduces average cost
- x) The wages of labour is an example of
- Variable cost
 - Fixed cost
 - Both a and b
 - None of the above
- xi) Which of the following curve is also called as envelope curve
- SMC
 - SAC
 - LAC
 - AFC
- xii) Short run production function includes _____
- Only fixed factors
 - Only variable factors
 - Both a & b
 - None of the above

Q.1 B) Match the following. (Any TEN)

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Group A	Group B
1. Function	a. Experts opinion poll
2. Negative relationship	b. Value of the best alternative sacrificed
3. Oligopoly	c. summation of all the individual supply curves
4. Opportunity cost	d. Inelastic demand
5. $E_p = 1$	e. variables move together in the opposite directions
6. Market supply curve	f. Least square method
7. Increasing returns	g. elastic demand
8. $E_p < 1$	h. the relationship between two or more economic variables
9. Statistical method	I. U shaped curve
10. Survey method	J. Kinky demand curve

11. $E_p > 1$	K. increase in output
12. Short run average cost curve	L. Unitary Elasticity of demand

- Q.2 Attempt A and B or C and D 15
 A) What is Business Economics? What is the significance of business economics? 08
 B) Calculate TR, AR, MR 07

Q	1	2	3	4	5
P	200	190	180	170	160

OR

- C) Explain: Movement along demand curve 08
 D) Explain: Shift in the demand curve 07

- Q.3 Attempt A and B or C and D 15
 A) What is demand function? Explain determinants of demand. 08
 B) Discuss Promotional elasticity of demand. 07

OR

- C) What are the types of Price elasticity of demand? 08
 D) Explain Survey Methods of demand Forecasting. 07

- Q. 4 Attempt A and B or C and D 15
 A) Explain law of variable proportion. 08
 B) Explain types of economies of scale. 07

OR

- C) Explain returns to scale. 08
 D) Discuss Expansion Path 07

- Q.5 Attempt A and B or C and D 15
 A) Distinguish between Fixed Cost and Variable Cost 08
 B) Given TFC is 100 Calculate TVC, MC, AFC, AVC and AC 07

Q	1	2	3	4	5
TC	100	150	175	220	300

OR

- C) Derive long run average cost curve from short run cost curves of a firm. 08
 D) Explain breakeven point. 07

- Q.6 Attempt A or B OR Write Short Notes on Any FOUR. 20
 1) Explain Kinky demand curve under oligopoly market. 10
 B) What Demand Forecasting? What is the significance of it? 10

OR

Write Short Notes. Any Four.

20

1. Functions & Equations
2. Opportunity Cost
3. External economies of scale
4. Promotional elasticity of demand
5. Implicit cost and Explicit cost