

Bus. Economics-I

DURATION: - 2½ hrs

417021223

MARKS:- 75

Note: - (1) All questions are compulsory.

(2) All questions carry equal marks.

(3) Figures to the right indicates full marks

Q.1 a) State whether the following statements are true or false
(Any 8)

CO1,2-
R/U/AP/E 8M

- 1) Market management is crucial for any business economics.
- 2) With decrease in demand, supply remaining unchanged, the equilibrium price falls.
- 3) A demand curve has a negative slope.
- 4) Statistical method is more frequently used to estimate demand.
- 5) Two Iso-quant can intersect each other.
- 6) Fixed cost include cost of raw materials.
- 7) Under perfect competition there is uniform price in the market.
- 8) The aim of the monopoly form is social welfare.
- 9) Price discrimination is profitable only if elasticity of demand in two different market are same.
- 10) Age price discrimination is allowed by the government.

Q.1 b) Match the following :- (Any Seven)

CO1,3,-R/
U/AN/AP/E 7M

	Group 'A'		Group 'B'
1)	Functional relations	a)	Demand = Supply
2)	Time series method	b)	Complimentary goods
3)	Internal economies of scale	c)	Denoted by later 'F'
4)	Selling cost	d)	Excise duty
5)	Equilibrium point	e)	Transport cost
6)	Negative cross elasticity	f)	Trend projection method
7)	Production cost	g)	Mark-up pricing
8)	Demand Curve	h)	Advertisement expenditure
9)	Cost - plus pricing	i)	Labour economies
10)	Variable cost	j)	Horizontal straight line

Q.2 a) Discuss the survey method of demand forecasting

CO2-
AP/AN 7M

b) Explain the concept and importance of elasticity of demand

CO2-
R/U/AP 8M

OR

c) Explain the importance of demand forecasting

CO2-
R/U/AP/AN 7M

d) Explain the nature of demand curve under different markets.

CO2-
R/U/AP 8M

Q.3 a) What is iso-quant? Explain the types of iso-quant.

7M

b) Using the following data find AP and MP and also draw the AP, TP and MP curve.

CO2-
CR/AP/E 8M

No. of Labours	1	2	3	4	5	6	7	8	9	10
Total Product	50	140	240	338	400	450	474	474	465	450

OR

- c) Given total fixed cost ₹20 calculate TVC, ATC, AFC, AVC and MC. CO2-CR-AP/E 7M

Output	1	2	3	4
TC	30	45	70	90

- d) Explain the properties of iso-quant. CO-AP-E 8M

- Q.4 a) Explain the features of perfect competition CO-AP/E 7M

- b) Explain the waste of monopolistic competition CO-AP/AN/E 8M

OR

- c) Explain the features of oligopoly CO2-R/U/AP 7M

- d) Explain various forms of price leadership CO2-R/U/AN 8M

- Q5. a) What is price discrimination? What are the different degrees of price discrimination? CO1-R/U/AN 7M

- b) Explain various types of price discrimination. CO2-U/R/AP 8M

OR

Write Short Note on (Any Three)

- a) Kinky demand curve CO1-R/U/AP 15M
- b) Role of advertising CO2-AN/E/AP
- c) Advantages and disadvantages of break-even analysis CO2-U/R/AP
- d) Types of statistical method CO1-AN/AP/CR
- e) Scope of business economics CO2-U/R/AN/CR
