

[Time:2.30 Hrs]		[Marks:75]
Please check whether you have got the right question paper.		
N.B:	1. All question are compulsory. 2. Figures to the right indicate full marks. 3. Students answering in the regional language should refer in case of doubt to the main text of the paper in English.	

Q.1	(A)	Answer the following: (Any 8) i) Business Economics is also called as _____. A. Managerial economics B. Microeconomics C. Macroeconomics D. Developmental economics ii) If two variables move in same direction then they have _____. A. Positive relationship B. Negative relationship C. Maximum and minimum relationship D. no relationship iii) If the quantity (Q) is 10 units and price (P) is Rs20/- then total revenue will be _____. A. 200 B. 2 C. 100 D. 20 iv) Demand can increase due to _____. A. Increase in price B. Increase in expenditure C. Increase in income D. Increase in saving v) Which of the following is not an assumption of the law of demand? A. No change in income of consumer B. No change in population C. No change in consumer's taste & preferences D. No change in the price of inputs vi) The change in the price of one commodity, on the demand of another commodity is measured by..... A. Income B. Cross C. Advertisement D. Replacement	08
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	<p>vii) When a single firm produces goods and services, it is called the</p> <p>A. Firm B. Factory C. Industry D. Small industry</p> <p>viii) In the perfect competition, only in short period, the firm gets</p> <p>A. Normal profit B. Super normal profit C. Loss D. Loss equal to fixed cost</p> <p>ix) Differentiated products are sold in market.</p> <p>A. Monopoly B. Perfect competition C. Monopolistic competition D. Duopoly</p> <p>x) In case of non-collusive oligopoly, firms behave -----.</p> <p>A. Independently B. Dependently C. Correlatively D. Interdependently</p>	
	<p>(B) Choose the correct option for the following: (Any 7)</p> <p>i) If change in one variable leads to constant change in another variable then it is a linear function.</p> <p>ii) Exact relationship between two variable is explained by variables.</p> <p>iii) Law of demand indicate the inter-relationship between demand and supply.</p> <p>iv) A fall in the price of commodity increases real income of the consumer.</p> <p>v) If the income elasticity of demand is negative the good is an inferior good.</p> <p>vi) Shut Down point of the firm indicate the firm's condition of normal loss.</p> <p>vii) Perfect competition indicates the vertical line of average revenue.</p> <p>viii) Trust and cartels are known as Public Monopoly.</p> <p>ix) Greater cross elasticity occurs in monopolistic competitive market.</p> <p>x) The model of price rigidity is presented by Chamberlin.</p>	07
Q.2	<p>Answer the following.</p> <p>A) Explain the meaning and scope of business economics. (7)</p> <p>B) Write a note on Market demand. (8)</p> <p>OR</p> <p>A) Discuss various determinants of demand. (7)</p> <p>B) Explain the significance of demand forecasting. (8)</p>	
Q.3	<p>Answer the following.</p> <p>A) Explain the features of perfect competition. (7)</p> <p>B) Discuss equilibrium of a firm and an industry under perfect competition. (8)</p> <p>OR</p>	

	A) Explain the features of monopoly.	(7)
	B) Explain the sources of monopoly power.	(8)
Q.4	Answer the following. A) Write a note on Production cost and Selling cost. B) Explain different types of wastages under monopolistic competition.	(7) (8)
	OR A) Discuss features of oligopoly. B) Explain meaning and types of price leadership under oligopoly models.	(7) (8)
Q.5	Write notes on the following. (Any 3) A) Basic tools in business economics B) Elasticity of demand C) Different concepts of revenue D) Role of advertising under monopolistic competition E) Collusive and non-collusive oligopoly	(15)