

SHRI S.H.KELKAR COLLEGE OF ARTS, COMMERCE AND SCIENCE, DEVGAD

(SINDHUDURG)

SEMISTER I, OCTOBER 2023



COURSE :- BUSINESS ECONOMICS -1

DURATION :- 2.30 Hrs.

CLASS:- FYBBI/

MAX.MARKS :-75

N.B: 1) Attempt all questions

2) Figures at right indicates marks.

Q.1 A) Match the following _____ (Any 8 Out of 10)

(8)

A		B	
1	Demand function	1	Exception to law of demand
2	Total revenue	2	Car and petrol
3	Devaluation	3	TP _n -TP _{n-1}
4	Marginal product	4	Quantity × price
5	Joint demand	5	Balance of payments
6	Price < AVC	6	Electricity
7	Normal profits	7	Shut down point
8	Giffen goods	8	Inelastic demand goods
9	Higher tax rate	9	Q=f(p)
10	Composite demand	10	Long run

Q. 1 B) State the following statements true or false. (Any 7 Out of 10)

(7)

- 1) Extension in demand and increase in demand mean the same.
- 2) The cross elasticity of demand between unrelated goods is zero.
- 3) Sample survey method is simple and less time consuming.
- 4) Isoquants are concave to the origin.
- 5) Internal economies continue to occur with every expansion of output.
- 6) Economies of scale lead to reduction in cost of production.
- An optimum firm is the firm which produces at the lower average cost.
- 8) MNCs outsource their operations to derive international economies of scale.
- 9) Perfectly competitive firm is a price taker.
- 10) Cartel formation helps the oligopoly firms to avoid competition.

Q. 2 A) Explain movement and shift in the demand curve with suitable example and diagrams.

(8)

B) Explain the cross elasticity of demand with suitable example.

(7)

OR



A) Why the AR and MR curves slope downwards from left to right under Monopoly? (8)

B) Define. Monopolistic competition explain its characteristics with suitable Examples. (7)

Q.3 A) What is the significance of demand forecasting? Why is it done by all business firms? (8)

B) What are the theoretical and practical application of elasticity of demand (7)

OR

A) Why does the demand curves slope downwards from left to right? (8)

B) Discuss the various short run concepts with suitable diagram. (7)

Q.4 A) Differentiate between monopoly and monopolistic competition. (8)

B) Explain the various revenue concepts under the different market structures.. (7)

OR

A) Explain in detail the break even analysis. (8)

B) What are the merits and demerits of advertising? (7)

Q.5 A) Explain opportunity cost in details. (8)

B) Explain the various factors which influence demand and supply. (7)

OR

Q.5) Short Notes on any Three (15)

1) Opportunity cost

2) Devaluation

3) Break even analysis

4) Economics of scope

5) supply low