

- Q.21 What is a production function? (CO4)  
Q.22 What do you mean by Law of Supply? (CO3)

### **SECTION-D**

**Note:** Long answer type questions. Attempt any two questions out of three questions. (2x8=16)

- Q.23 What do you mean by Individual Demand and Market Demand? Explain with the help of a table and a diagram. (CO2)
- Q.24 Write a detailed note on different forms of market and mention their features. (CO5)
- Q.25 Explain the three stages of Returns to a Scale with the help of a table. (CO4)

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### **2nd Sem / Fin., Acc. & Aud, Business Management**

#### **Subject : Business Economics**

Time : 3 Hrs. M.M. : 60

### **SECTION-A**

**Note:** Multiple choice questions. All questions are compulsory (6x1=6)

- Q.1 When economic activities are studied at the level of an individual unit, it is called: (CO1)  
a) Micro-economics b) Macro-economics  
c) Meso-Economics d) None of the above
- Q.2 A graph/diagram showing the relationship between price and quantity demanded of a commodity is called: (CO2)  
a) Demand Curve b) Demand Schedule  
c) Demand Function d) None of the above
- Q.3 When with increase in price of a commodity, its quantity supplied increases, it is called: (CO3)  
a) Contraction of Supply  
b) Increase in Supply  
c) Extension of Supply  
d) Decrease of Supply

- Q.4 Additional cost incurred on producing an extra unit of a product is called: (CO4)
- Total Cost
  - Marginal Cost
  - Average Cost
  - Production Cost
- Q.5 Product Differentiation is a feature of which of the following market forms? (CO5)
- Monopoly
  - Perfect Competition
  - Monopolistic competition
  - Oligopoly
- Q.6 Which of the following factors affect market demand of a commodity? (CO2)
- Size of Population
  - Distribution of Income
  - Income of consumer
  - All of the above

### SECTION-B

**Note:** Objective/ Completion type questions. All questions are compulsory. (6x1=6)

- Q.7 \_\_\_\_\_ are examples of complementary goods.  
(Tea and Coffee / Car and Petrol) (CO2)
- Q.8 Goods which are bought by poor and are of highly inferior quality are called \_\_\_\_\_ (Giffen goods / veblan goods) (CO2)

- Q.9 When the rate of taxes on a product increases, its supply \_\_\_\_\_ (increases/decreases) (CO3)
- Q.10 Law of Variable Proportion is a law of \_\_\_\_\_ (Short-run/Long--run) (CO4)
- Q.11 In monopoly market, there is/are \_\_\_\_\_ seller.(s)  
(One/Two) (CO5)
- Q.12 A supply curve has a negative slope. (True/False) (CO3)

### SECTION-C

- Note:** Short answer type questions. Attempt any eight questions out of ten questions. (8x4=32)
- Q.13 What do you mean by Law of Demand? (CO2)
- Q.14 Explain in brief Law of Variable Proportions. (CO4)
- Q.15 What are the main exceptions of law of demand?  
(CO2)
- Q.16 What are the main limitations of managerial economics? (CO1)
- Q.17 What do you mean by Contraction of Supply? (CO3)
- Q.18 Briefly explain the relationship between Average Cost and Marginal Cost. (CO4)
- Q.19 Write a short note on various determinants of supply. (CO3)
- Q.20 Write a short note on oligopoly form of market. (CO5)