

- Q.15 Write a short note on production function. (CO4)
- Q.16 Write a short note on significance of business Economics. (CO1)
- Q.17 Explain in brief the concept of law of supply. (CO3)
- Q.18 Explain in brief the relationship between average Cost and Marginal Cost. (CO3)
- Q.19 What are the main factors that affect supply of a commodity? (CO3)
- Q.20 Write a short note on Monopolistic Competition. (CO5)
- Q.21 What do you mean by Demand Schedule? (CO2)
- Q.22 What do you mean by Extension of supply? (CO2)

#### SECTION-D

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

- Q.23 Explain law of demand in detail. Also mention main exceptions of Law of Demand. (CO2)
- Q.24 Write a detailed note on  
(i) Perfect competition and  
(ii) Monopoly. (CO5)
- Q.25 Explain law of variable proportions in detail. (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 whole economy it is called: (CO1)  
a) Micro-economics b) Macro-economics  
c) Meso-economics d) None of the above
- Q.2 A table 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 decrease in price of a commodity, its quantity supplied decreases, it is called: (CO3)  
a) Contraction of supply  
b) Increase in supply  
c) Extension of supply  
d) Decrease of supply

Q.4 When we divide total cost by the number of units that we produce, what we get is called: (CO4)

- a) Total cost                      b) Marginal Cost
- c) Average Cost                d) Production Cost

Q.5 Price Discrimination is a feature of which of the following market forms? (CO5)

- a) Monopoly
- b) Perfect Competition
- c) Monopolistic competition
- d) Oligopoly

Q.6 Which of the following factors affect individual demand of a commodity? (CO2)

- a) Size of population
- b) Distribution of Income
- c) Income of consumer
- d) All of the above

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## SECTION-B

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

Q.7 \_\_\_\_\_ are examples of substitute goods.  
(Tea and coffee/ car and petrol) (CO2)

Q.8 Goods which are bought by rich to show the prestige / status / social distinction are called \_\_\_\_\_  
(Giffen goods / veblen goods)

Q.9 When the rate of taxes on a product decreases ,its supply \_\_\_\_\_.(increases/ decreases) (CO3)

Q.10 Returns to a scale becomes applicable in \_\_\_\_\_  
( short-run/long-run). (CO4)

Q.11 In \_\_\_\_\_ market, there is only one seller of a product. (perfect competition/Monopoly). (CO5)

Q.12 A demand curve has a positive slope. (True/False)  
(CO2)

## SECTION-C

**Note:** Short answer type questions. Attempt any eight questions out of ten questions. (8x4=32)

Q.13 What do you mean by individual demand and market demand? (CO2)

Q.14 Explain in brief three stages of returns to a scale.  
(CO4)

(3)

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