

- Q.29 Illustrate a change in demand.
- Q.30 What are the factors that cause increasing returns to scale?
- Q.31 What are the features of oligopoly?
- Q.32 Distinguish between (i) input and output  
(ii) Short run and long run

### SECTION-D

**Note:** Long answer type questions. Attempt any three questions out of four questions. (3x10=30)

- Q.33 State the law of demand with the help of demand curve and demand schedule. What are the exceptions to the law of demand?
- Q.34 Explain the law of diminishing marginal utility.
- Q.35 Discuss the law of variable proportions using and appropriate production function.
- Q.36 Explain the features of perfect competition. How does it differ from monopolistic competition?

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**1st Sem. / FAA**

**Subject : Business Economics**

Time : 3 Hrs.

M.M. : 100

### SECTION-A

**Note:** Objective type questions. All questions are compulsory (10x1=10)

- Q.1 Economics is a science and an art. (True/False).
- Q.2 Does a change in consumers tastes lead to a shift in demand curve?
- Q.3 When MP is zero, TP is \_\_\_\_\_.
- Q.4 Increase in Total Product always indicates that there are increasing returns to a factor.
- Q.5 'A monopolist can sell any quantity at the price he likes. (True / False)
- Q.6 In inductive method we descent from the general to particular. (True/False)

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- Q.7 If the elasticity equals 0, is demand perfectly elastic or perfectly inelastic?
- Q.8 When AP decreases,  $MP < AP$  (True/False)
- Q.9 A firm is price maker under \_\_\_\_\_ competition.
- Q.10 Negative utility is that utility where the consumption of a commodity is carried to excess and causes dis-satisfaction. (True/False)

### SECTION-B

**Note:** Very short answer type questions. Attempt any ten questions out of twelve questions.  
(10x2=20)

- Q.11 Define economics.
- Q.12 Define price elasticity of demand.
- Q.13 What is utility?
- Q.14 What is marginal product?
- Q.15 Define monopoly.
- Q.16 What do you understand by production?

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- Q.17 Write two determinants of price elasticity of demand.
- Q.18 Define production function.
- Q.19 What is the importance of economics?
- Q.20 State two features of monopolistic competition.
- Q.21 Define demand forecasting.
- Q.22 What are variable inputs?

### SECTION-C

**Note:** Short answer type questions. Attempt any eight questions out of ten questions. (8x5=40)

- Q.23 What are the determinants of demand?
- Q.24 Why does the demand curve slope downward?
- Q.25 Distinguish between total and marginal utility.
- Q.26 Explain the law of returns to scale.
- Q.27 Write two points of distinction between monopoly and monopolistic competition.
- Q.28 What is the difference between microeconomics and macroeconomics?

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