

VCD/ 11/12/23 FYBFM SEM I Sub-Business Economics-I 2½ Hrs

VCD/ FYBFM SEM I Sub-Business Economics-I 2½ Hrs 75 marks

- Note 1. All the questions are compulsory.  
2. All questions carry equal marks.  
3. Draw neat, labelled diagrams wherever necessary.

Q.1 (A) State whether the following statements are True or False. (Any 8) 8 marks

1. Economics is a science of choice.
2. Demand is a function of price.
3. Equilibrium price takes place when quantity demanded is equal to quantity supplied.
4. Average revenue is the price or revenue per unit of output.
5. Isoquant is always convex to the origin.
6. Economies of scale refers to contraction of a firm.
7. Total cost function is not dependent upon quantity.
8. Learning curve is upward sloping.
9. Non – price competition is absent in oligopoly.
10. Cost plus pricing and Mark-up are two different concepts.

Q.1 (B) Match the columns (Any 7) 7 Marks

GROUP A		GROUP B	
1.	Equations	a.	TR=TC
2.	Horizontal demand curve	b.	Oldest firm
3.	Kink point	c.	Envelope curve
4.	Delphi method	d.	P x Q
5.	AFC+AVC	e.	Monetary economies
6.	Pecuniary economies	f.	AC
7.	*TR	g.	Group of experts
8.	Long-run average cost curve	h.	Sticky price
9.	Barometric price leadership	i.	Perfect competition
10.	Break-even point.	j.	Mathematically expressed function

Q.2 Discuss the following in brief. 15 marks

- A. Examine the functional relations and tools for economic analysis.
  - B. Explain the law of supply with the help of appropriate diagram.
- OR**
- C. Define business economics. Discuss its scope in detail.
  - D. What are the various determinants of demand?

**Q.3 Answer the following in brief.****15 marks**

- A. Discuss the Explicit cost & implicit cost concept.  
 B. Explain the internal and external dis-economic of Scale.

**OR**

- C. State the types of Production function in detail?  
 D. Complete the following table.

Output	TFC	TVC	TC	ATC	AFC	AVC	MC
0	50		70				
1	50		90				
2	50		130				
3	50		150				
4	50		170				

**Q.4 Explain the following in brief.****15 marks**

- A. Enumerate the features of monopoly.  
 B. Explain Short- Run Equilibrium of the firm under Perfect competition.

**OR**

- C. Explain the Collusive and non- collusive Oligopoly market  
 D. Explain the various features of Monopolistic Competition.

**Q.5 A What do you mean by marginal cost pricing?****7 marks**

- B. Explain Cost –plus pricing

**8marks****OR**

- A. Write short notes. (Any 3)

**15 marks**

1. Importance of Business Economics
2. Break-even point.
3. Source of Monopoly
4. Kink demand curve
5. Dumping.