

- 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)

1. Demand is depended upon desire, willingness and ability.
2. Consumer survey is used under demand forecasting.
3. Income elasticity is a type of elasticity of demand.
4. Supply curve represent direct relationship with price.
5. Isoquant is always convex to the origin.
6. Economies of scale refers to expansion of a firm.
7. Collusive and non-collusive agreement is a part of oligopoly.
8. Under perfect competition a firm is a price taker.
9. Second degree of price discrimination is depended upon the highest price a consumer is willing to pay.
10. Low-cost price leadership charges the highest price possible.

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

GROUP A	GROUP B
1. Demand curve	a. Break-Even point
2. Single seller	b. Oldest and experienced firm
3. Kink point	c. Envelope curve
4. Expert's opinion	d. Total revenue
5. AFC+AVC	e. Returns to scale
6. Increasing, constant, decreasing	f. ATC
7. TR	g. Group of experts
8. Long-run curve	h. Sticky price
9. Barometric price leadership	i. Monopoly
10. TC=TR	j. Downward sloping

Q.2 A. Discuss the scope of business economics. (8)

B. Explain individual supply with the help of an appropriate diagram. (7)

OR

C. Examine the nature of demand curve in different market (8)

D. What are the various factors determining elasticity of demand? (7)

Q.3 A. Examine the properties of isoquants with suitable diagram. (8)

B. What are the various external economies and diseconomies of scale? (7)

C. Complete the following table:

(8)

Quantity (Q)	TFC	TVC	TC	MC	AFC	AVC	ATC
0	150	0					
1	150	25					
2	150	40					
3	150	50					
4	150	70					
5	150	100					
6	150	145					
7	150	205					
8	150	285					
9	150	385					
10	150	515					

D. Explain envelope curve with the help of a suitable diagram.

(7)

Q.4 A. Enumerate the features of oligopoly market.

(8)

B. Explain short run equilibrium under perfect competition with the help of suitable diagrams.

(7)

OR

C. Discuss the various features of monopolistic market.

(8)

D. What are the various types of price leadership?

(7)

Q.5 A. What are the various degrees of price discrimination?

(8)

B. Explain dumping with the help of a suitable diagram.

(7)

OR

Q.5 Write short notes. (Any 3)

(15)

A. Implicit and explicit cost

B. Fixed, variable and total cost

C. Ridge lines

D. Disadvantages of advertisement

E. Transfer pricing