Program: F.Y. B.COM (A & F)	**Semester:** I	**Program Code:**	UGAF03
Course: ECONOMICS-I		**Course Code:**	NUAF103

Duration: 2 Hour **Examination Pattern:** NEP-Autonomous-External **Max. Marks:** 60

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Draw neat diagrams wherever necessary.
4. CO (Course Outcome), KL (Knowledge Level).

Examination:

REGULAR

Q. 1		Attempt the following.					[15]	CO's	KL's
	(a)	Fill in the blanks with an appropriate answer from the alternatives given.					[08]	CO1, CO2, CO3, CO4	L1
		I)	A ..... Provides information about the price, quantity, and quality of the good.						
			(a)	Data	(b)	Buyer			
			(c)	Seller	(d)	Market			
		II)	If Supply is greater than the Demand then there is ..... in the market.						
			(a)	Shortage	(b)	Balance			
			(c)	Surplus	(d)	Equilibrium			
		III)	Cross elasticity of demand is positive in case of ..... goods.						
			(a)	Substitute	(b)	Un-related			
			(c)	Complementary	(d)	Capital			
		IV)	For a Inferior Good Income elasticity of demand is.....						
			(a)	Positive	(b)	Zero			
			(c)	Negative	(d)	One			
		V)	Which of the following is not an assumption of the law of demand?						
			(a)	Constant income of consumer	(b)	No change in size of population			
			(c)	Constant price	(d)	No change in fashion			

		VI)	The law of demand is given by.....						
			(a)	Alfred Marshall	(b)	Adam smith			
			(c)	Gossen	(d)	J. M. Keynes			
		VII)	In Perfect competition firms are						
			(a)	Price takers	(b)	Price makers			
			(c)	Price controllers	(d)	Price leaders			
		VIII)	Which statement best describes the long run in production theory ?						
			(a)	All inputs are fixed	(b)	Output cannot change			
			(c)	All factors are variable	(d)	Price remain constant			
	(b)	**State whether the following statements are true or false.**					[07]	CO1, CO2, CO3, CO4	L1
		I)	Incremental analysis measures larger change.						
		II)	Average cost is calculated by dividing total cost by the number of units produced.						
		III)	Total revenue is equal to price multiplied by quantity sold						
		IV)	Marginal analysis has no role in decision-making in business						
		V)	An increase in demand shifts the demand curve to the left						
		VI)	Isoquant curve do not touch either of the axis.						
		VII)	In monopoly market there are many sellers.						
Q. 2		**Attempt any TWO of the following.**					[15]	**CO's**	**KL's**
	(a)	Classify the different types of Demand Forecasting.					[07]	CO1	L2
	(b)	State the various types of Price elasticity of demand.					[08]	CO2	L1
		OR							
	(c)	Describe the subject matter of Business economics.					[07]	CO1	L2
	(d)	Define the Law of Demand with its assumptions.					[08]	CO2	L1

Q. 3		**Attempt any TWO of the following.**	**[15]**	**CO's**	**KL's**
	(a)	Calculate TFC, AFC, TVC, AVC, AC and MC on the basis of data given below and explain the terms.	**[07]**	**CO3**	**L3**
	(b)	Compare collusive and non- collusive oligopoly markets.	**[08]**	**CO4**	**L4**
		OR			
	(c)	Demonstrate the Law of returns to scale with a suitable diagram.	**[07]**	**CO3**	**L3**
	(d)	Analyze the Short run Equilibrium of a firm under Monopoly market.	**[08]**	**CO4**	**L4**
Q.4		**Numerical**	**[15]**		
	1.	A Businessman pays rs 6,00,000 in wages and salaries per year, rs 1,00,000 in interest per year on borrowed money capital and rs 60,000 for the yearly rental of his office premises. If the entrepreneur worked for somebody else she would have earned rs 5,00,000 per year. a) Evaluate the entrepreneurs accounting and economic profit if she received rs 30,00,000 as revenue in her years output. b) Instead of borrowed capital, the entrepreneur invest rs 4,00,000 of her own savings. The highest market rate of interest this amount can earn is 9% per annum. how would this affect her economic cost and profit.		**CO3**	**L5**

Output	0	1	2	3	4	5	6	7
Total Cost	80	170	240	280	290	320	400	580

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