

Tilak Maharashtra University
Bachelor of Business Administration (Distance)
(Semester - IV) - Internal Evaluation

Business Economics– II

Marks : 80

Code : 71411

Note:

- ❖ The Paper Consist of two sections I & II
 - ❖ Section I & II is Compulsory
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SECTION – I

- Q. 1** a) Explain the term “Market” in Economic Sense. **(15)**
OR
b) Explain different classifications of Market.
- Q. 2** a) What is meaning of Equilibrium of a firm and an industry? Also explain **(15)**
meaning of short term and long term equilibrium.
OR
b) What are the features of a monopoly market? How a producer achieves
equilibrium in a monopoly market?
- Q. 3** a) Explain the terms TR, AR and MR with help of Algebraic relations. **(15)**
OR
b) Prepare a hypothetical revenue schedule to show relationship between
TR, AR and MR.
- Q. 4** Write short notes (Any three) **(15)**
a. Market Constituents
b. Wholesale Market
c. Retail Market
d. Short term equilibrium
e. Long term equilibrium

SECTION – II

Choose appropriate option (All questions are compulsory.) **(20)**

1. Economic meaning of Market is
 - a. Place of buying & selling
 - b. Network of transactions between sellers and buyers at any place

2. There is a market for
 - a. Finished goods
 - b. Intermediate goods
 - c. Factor of production
 - d. any of these
3. On basis of geographical area, the market can be
 - a. Local
 - b. National
 - c. Global
 - d. Any of these
4. There can be market for a factor of production
 - a. Yes
 - b. No
5. In very short period in a market, the supply of a commodity in response to change in demand
 - a. Can be changed
 - b. Cannot be changed
6. Product market is meant for
 - a. Finished goods
 - b. Intermediate goods
 - c. Both these
7. Factor market is meant for
 - a. Labour
 - b. Capital
 - c. Land
 - d. Any of these
8. In case of monopoly market there is
 - a. One supplier
 - b. One producer
 - c. a or b
9. In case of monopoly market, the No. of buyers is
 - a. Very Few
 - b. Very large
10. In case of duopoly, the No. of suppliers is
 - a. Two
 - b. Very few
11. In case of oligopoly, the No. of sellers is
 - a. Very few
 - b. Two
12. In case of monopsony there is one.....
 - a. Buyer
 - b. Seller
13. In case of monopolistic competition, there is large number of
 - a. Buyers
 - b. Sellers
 - c. Both a, b
14. Product differentiation is characteristic of monopolistic competition
 - a. Correct
 - b. Wrong
15. Equilibrium can imply
 - a. Stable price
 - b. Stable supply
 - c. a or b
16. A firm tries to produce and sell the products, till the point of profit maximization
 - a. Correct
 - b. Wrong

17. At point of Equilibrium, the difference is the maximum between
- a. TR, TC
 - b. ATC, AP
 - c. MC, MP
18. TR curve starts from the Zero level
- a. Correct
 - b. Wrong
19. TC curve starts from a level, higher than the zero level
- a. Correct
 - b. Wrong
20. Under imperfect competition, the TR curve is
- a. Straight line
 - b. Curved line