

9. When AFC and AVC declines then ATC:
 a. increase b. constant
 c. decrease d. none of the above
10. Long run average cost curve is the locus of lowest point of all the:
 a. Short run total cost curve b. Short run average cost curve
 c. Long run total cost curve d. None of the above
11. Who is known as father of economics?
 a. Adam Smith b. Alfred Marshall
 c. J.M. Keynes d. L. Robbins
12. The shape of perfectly inelastic demand curve is:
 a. flatter b. steeper c. vertical d. horizontal
13. The shape of Isoquant curve is:
 a. convex b. concave
 c. U shaped d. none of the above
14. Dumping means:
 a. high price at domestic market low price at foreign market.
 b. low price at domestic market and high price at foreign market.
 c. high price at both the market.
 d. none of the above.
15. Selling cost is:
 a. production cost b. raw material cost
 c. electric cost d. advertisement cost
16. Oligopoly is market competition of:
 a. single firm b. large number of firms
 c. a few big firms d. two firms
17. Transport cost is absent in:
 a. monopoly market b. oligopoly market
 c. perfect competition d. duopoly
18. Sequences different stages of returns scale are:
 a. increasing, decreasing, negative b. constant, increasing, decreasing
 c. decreasing, negative, constant d. increasing, constant, negative
19. Kink demand curve is associated with:
 a. perfect competition b. oligopoly
 c. monopoly d. monopolistic
20. Marginal Cost is given as:
 a. TC/Q b. Q/AR c. $AR-MR$ d. $\Delta TC/\Delta Q$

(PART B : Descriptive)

Time: 2 hrs. 40 min.

Marks: 50

(Answer question no. 1 & any four (4) from the rest)

1. What is price discrimination? Explain different types of price discrimination. (2+8=10)
2. What are the determinants of demand? What are the assumptions of law of demand? (2+8=10)
3. What is Isoquants curve? Explain. (2+8=10)
4. What is monopolistic market? What is its feature? What are the difference between monopoly and monopolistic competition? (2+3+5=10)
5. Write short notes on the following (any two): (5+5=10)
 a) Returns to scale.
 b) Law of variable proportion.
 c) Excess capacity of monopolistic.
6. a) Explain with a diagram the equilibrium point of monopoly in the long run. (5)
 b) Explain the least-cost combination of factors. (5)
7. a) Explain the meaning of Business economics. (2)
 b) Explain the term "Giffen Paradox". (3)
 c) What are the difference between perfect competition and monopoly? (5)
8. Why AC curve is U shaped? Explain relationship between TC, TFC and TVC. (4+6=10)
