



16-12-16

DOON UNIVERSITY

SCHOOL OF MANAGEMENT

END SEMESTER EXAMINATION DECEMBER 2016

Business economics-I

IMBA-102

IMBA-I SEMESTER

**Section A: Attempt all questions. (2 Marks each).**

Q.1. A) Define Economics. B) Define Business Economics.

Q.2.A) An Isoquant is the least cost locus of input combinations that provide the same level of output. (true/false)

B) All indirect costs are fixed and all direct costs are variable. (true/false)

Q.3.: A) Economies of large scale operation mean that within certain limits average costs go down as the size of the firm grows (true/false).

B) As consumption of coffee increases, its marginal utility to consumer:

A) Remains constant B) Change proportionately C) Decreases D) Increases

Q.4.State the types of demand elasticity.

Q.5. Explain Supply Schedule.

**Section B: Attempt all questions. (5 Marks each).**

Q.6. Explain Law of Diminishing Marginal Utility and its effect on demand.

Q.7.Distinguish between the following:

A) Fixed cost and variable cost B) Average Cost and Marginal cost

Q.8.Write short notes on any two:

A) Risk and uncertainty B) Time perspective C) Average variable cost D) Opportunity cost

Q.9. Explain the Supply function and its determinants.

**Section C: Attempt all Questions. (10 Marks each.)**

Q.10. What is demand forecasting? Describe various methods of demand forecasting.

Q.11. Define production function. Explain the nature of production function and its uses for managerial decision making.

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