

**TILAK MAHARASHTRA VIDYAPEETH, PUNE**  
**BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)**

**CB**  
**60:40**

**EXAMINATION : JUNE - 2022**

**SEMESTER - IV**

**Sub. : Business Economics - II (BBA15- 414)**

**Date : 13/06/2022**

**Total Marks : 60**

**Time: 2.00pm to 4.30pm**

- Instructions:** 1) All questions are compulsory.  
2) Figures to the right indicate full marks.

**Q. 1. Choose the most appropriate option. (05)**

- OPEC is an example of ..... competition  
a) Perfect competition  
b) Monopolistic competition  
c) Oligopoly  
d) Monopoly
- Which market possesses characteristics of perfect competition and monopoly?  
a) Monopolistic Competition  
b) Monopoly  
c) Oligopoly  
d) Mixed competition
- At first stage Average cost slopes.....  
a) Upwards  
b) Horizontal  
c) Vertical  
d) Downwards
- The condition of equilibrium and profit maximization is ....  
a)  $AR=P$   
b)  $MR=MC$   
c)  $AC=AR$   
d)  $MC=AC$
- Which of the following option is disadvantage of barter exchange?  
a) Liquidity  
b) have storage value  
c) Double coincidence of wants  
d) Non-perishable

**Q. 2. State True / False (05)**

- Perfect competition is the reality of world  
a) True  
b) False
- Credit Creation is main function of commercial banks  
a) True  
b) False
- RBI is the central bank of India  
a) True  
b) False
- In the short run , only variable factors exist  
a) True  
b) False
- GDP means Gross Domestic Price  
a) True  
b) False

**Q. 3. Write Short notes on (Any Three) (15)**

- Concept of Market and Types of market
- Characteristics of perfect competition
- Explain Total/Average/Marginal Revenue
- Functions of Money
- Difference between GDP and GNP

**Q. 4. Answer in detail (Any Two) (20)**

1. How can we find price equilibrium under monopolistic competition? Explain with features and diagram
2. Central Bank – Role and credit control Functions
3. Evolution of Money

**Q. 5. Case study (Any One) (15)**

1. India's GDP growth rate was 8% during 2015-16, second generation industrial reforms gave the boost to the industrial activity. But then after 2017, India's growth slowdown little and the worst in the year 2020 India achieved -7.9% growth which leads into the depression. As the world open ups after pandemic, India is now on the recovery path. IMF and world bank now again projecting the India's growth rate will be around 8%.
  - i) How can you explain the above condition in trade cycle theory?
  - ii) On which stage Indian economy is right now?
  - iii) Draw the business cycle diagram for above case study.
2. Company A is manufacturing bags. They are selling their products in the perfectly competitive market. Company A produced around 10 bags per day and selling each bag for RS 200.
  - i) Build the revenue schedule of above example
  - ii) State the reason of that revenue schedule.

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