(GCF-19, GCF-20, VCF-4, SCF-6 & SCF-7)

DATE: 13.07.2020 **MAXIMUM MARKS: 100** **TIMING: 2 Hours**

ECONOMICS AND COMMERCIAL KNOWLEDGE

All Questions is compulsory.

(1) Ans. c

(2) Ans. d

(3) Ans. a

(4) Ans. d

(5) Ans. d

(6) Ans. d

(7) Ans. d

(8) Ans. c

(9) Ans. a

(10) Ans. d

(11) Ans. c

(12) Ans. a

(13) Ans. c

(14) Ans. d

(15) Ans. b

(16) Ans. c

(17) Ans. c

(18) Ans. a

(19) Ans. b

(20) Ans. c

(21) Ans. d
Explanation:
When AC is minimum, then MC is equal to AC, which is known as "Optimum point of production".

(22) Ans. a
Explanation:
Opportunity cost is concerned with the cost of foregone opportunity.

(23) Ans. c
Explanation:
Diminishing marginal return imply increasing marginal costs because when cost increases than production decreases.

(24) Ans. a
Explanation:
In labour surplus economy labour will be available in abundance.

(25) Ans. c
Explanation:
Since percentage change in output is less than percentage change in input.

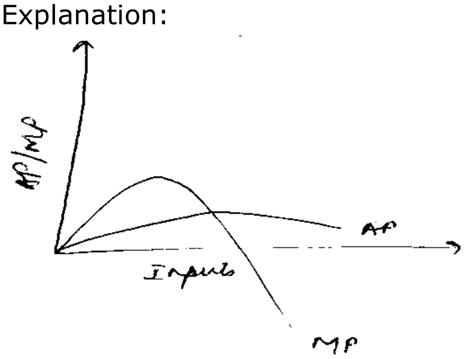
(26) Ans. b
Explanation:
Economics is not a perfect science because economics is science as well as arts

(27) Ans. b
Explanation:
Economic laws are Subject to specified assumptions

(28) Ans. a
Explanation:
An Indifference Curve slopes down towards right, since more of one commodity and less of another result in same level satisfaction

(29) Ans. b
Explanation:
In short run supply can not be increased

(30) Ans. d
Explanation:



As when AP falls, MP also falls but MP < AP

(31) Ans. a

(32) Ans. b

(33) Ans. d

(34) Ans. b
Explanation:
Since there is direct relationship between income and demand

(35) Ans. a
Explanation:
If the proportion of income spent on goods increases as income increases, then the income elasticity for the goods is greater than 1.

(36) Ans. b
Explanation:
Since Elasticity between any two given points of a demand curve is called ARC Elasticity.

(37) Ans. c

(38) Ans. d
Explanation:
Because average of total production can never be zero or negative.

(39) Ans. c

(40) Ans. c

(41) Ans. d
Explanation:
Since the economist who gave cobb - douglas production function was an American.

(42) Ans. b
Explanation:
Under Partial Oligopoly, the industry is dominated by one large firm, which is considered or looked upon as a leader of the group. The dominating firm will be the price leader.

(43) Ans. c
Explanation:
Rising portion of Marginal Cost curve is known as supply curve because marginal cost increases with the increment in level of output.

(44) Ans. a

(45) Ans. a

(46) Ans. c

(47) Ans. a
Explanation:
Under P.C. in long run a firm earns normal profit.

(48) Ans. a
Explanation:
Region above prevailing price has E>I
Region below prevailing price has E<I
Which creates a kink at prevailing price.

(49) Ans. c
Explanation:
Since $MP_n = TP_n - TP_{n-1}$.

(50) Ans. c
Explanation:

Since $AFC = \frac{TFC}{Q}$ $\quad$ $AVC = \frac{TVC}{Q}$

$20 = \frac{TFC}{4}$ $\quad$ $40 = \frac{TVC}{5}$

$TFC = 80$ $\quad$ $TVC = 200$

Since $TC = TFC + TVC$

$TC = 80 + 200$

$TC = 280$

Ac at 5 unit $= \frac{TC}{Q} = \frac{280}{5} = 56 \quad Ans.$

(51) Ans. b
Explanation:
Since TR is maximum at MR=0

(52) Ans. a
Explanation:
Since excess supply reduces equilibrium price.

(53) Ans. d

(54) Ans. a
Explanation:
Since Sir Robert Giffen was Scottish.

(55) Ans. a
Explanation:

Since $ATC = \frac{TFC}{Q} + \frac{TVC}{Q}$

Or

$ATC = AFC + AVC$

(56) Ans. c

(57) Ans. b
Explanation:
Since profit maximization condition is perfect competition is MR=MC.

(58) Ans. d
Explanation:
In oligopoly elasticity is elastic on upper part of demand curve and inelastic on lower part of demand curve.

(59) Ans. a
Explanation:
Since elasticity of supply of industrial products is highly elastic.

(60) Ans. d
Explanation:
Since land possess all of the above mentioned features.

(61) Ans. d

(62) Ans. a

(63) Ans. b

(64) Ans. c

(65) Ans. b

(66) Ans. a

(67) Ans. d

(68) Ans. d

(69) Ans. b

(70) Ans. a

(71) Ans. d

(72) Ans. a

(73) Ans. c

(74) Ans. a

(75) Ans. d

(76) Ans. c
Explanation:
In Securities Appellate Tribunal first appeal against SEBI be made.

(77) Ans. c

(78) Ans. b

(79) Ans. d

(80) Ans. d

(81) Ans. a

(82) Ans. a

(83) Ans. b

(84) Ans. a

(85) Ans. d

(86) Ans. d

(87) Ans. c

(88) Ans. c

(89) Ans. a

(90) Ans. b

(91) Ans. a
Explanation:
Price sensitivity is the effect a change in price will have on customers.

(92) Ans. c

(93) Ans. b
Explanation:
Pooling of Capital is an advantage of joint ownership.

(94) Ans. c
Explanation:
A type of debt instrument that is not secured by physical assets or collateral is Promissory Note.

(95) Ans. c

(96) Ans. b
Explanation:
Power System Operation Corporation Limited is subsidiary of Power Grid company.

(97) Ans. c
Explanation:
A change in the Environment May be an opportunity to some and threat to some other Firms.

(98) Ans. a
Explanation:
This statement relates to proceed with caution.

(99) Ans. d
Explanation:
David Easton propounded a Model on Politics-Policy Relationship known as Feedback and Black Box Model.

(100) Ans. d
Explanation:
Waiving of farm loans is an example of Distributive Policy.

___***___