

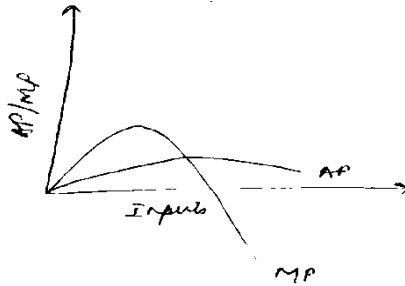
ECONOMICS AND COMMERCIAL KNOWLEDGE

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. d
Explanation:
If the average cost is falling, then it is impossible to tell if marginal cost is rising or falling.
- (12) Ans. d
Explanation:
Variable cost increases continuously with the increase in production.
- (13) Ans. d
Explanation:
Because demand is perfectly elastic.
- (14) Ans. b
Explanation:
Because in ordinal approach a consumer never measure total utility.
- (15) Ans. d
Explanation:
Because internal and external economies and diseconomies help us to understand returns to scale.
- (16) Ans. a
Explanation:
Under Monopoly, price discrimination depends upon Elasticity of demand for commodity.

- (17) Ans. b
 Explanation:
 The profit maximizing condition for monopolist in two market, A and B is $MC = MR_a = MR_b$.
- (18) Ans. d
 Explanation:
 The monopolist can fix any price for his product, but cannot determine Demand of his product.
- (19) Ans. d
 Explanation:
 When price for a firm is less than average total cost but greater than average variable cost then Continue in short run to reduce losses.
- (20) Ans. c
 Explanation:
 Dumping is related to which market monopoly.
- (21) Ans. b
 Explanation:
 Exploitation and inequality are maximum under Capitalism.
- (22) Ans. b
 Explanation:
 Economic indicators in demand forecasting is called Barometric method.
- (23) Ans. c
- (24) Ans. c
- (25) Ans. a
- (26) Ans. b
- (27) Ans. b
- (28) Ans. c
- (29) Ans. a
- (30) Ans. a
- (31) Ans. c
 Explanation:
 In the long run Both demand and supply can change.
- (32) Ans. c
 Explanation:
 In market, the price output equilibrium is determined by Marginal cost curve and marginal revenue curve.

- (33) Ans. c
Explanation:
Economics is the study of How society manages its scarce resources.
- (34) Ans. b
Explanation:
If demand is elastic then price cuts will increase spending.
- (35) Ans. d
Explanation:
Utility means satisfaction of good.
- (36) Ans. c
Explanation:
Consumer surplus = what a consumer is ready to pay – what he actually pay.
= 320 – 180 = 140
- (37) Ans. d
Explanation:
Economic, Social and National objective of the objective of entrepreneur
- (38) Ans. c
Explanation:
Creation of utility is production in economics.
- (39) Ans. b
Explanation:
An upward shift in marginal cost reduces output and an upward shift in marginal revenue increases output.
- (40) Ans. d
Explanation:
Firms are assumed to minimize costs and to maximize profits.
- (41) Ans. b
Explanation:
Economics is not a perfect science because economics is science as well as arts
- (42) Ans. b
Explanation:
Economic laws are Subject to specified assumptions
- (43) Ans. a
Explanation:
An Indifference Curve slopes down towards right, since more of one commodity and less of another result in same level satisfaction
- (44) Ans. a
Explanation:
In Market Period supply can not be increased
- (45) Ans. d
Explanation:



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

(46) Ans. a

(47) Ans. b

(48) Ans. d

(49) Ans. d

(50) Ans. b

(51) Ans. c

(52) Ans. c

(53) Ans. c

(54) Ans. d

(55) Ans. a

(56) Ans. b

(57) Ans. b

(58) Ans. b

(59) Ans. d

(60) Ans. d

(61) Ans. d

Explanation:

Maturity Level of the market, Cost Structure of the market and Price Sensitivity of the market issues should be considered while analyzing the market.

(62) Ans. c

Explanation:

Any goods that are stored, delivered and used in its electronic format Digital Goods.

(63) Ans. a

Explanation:

Rate at which the Central Bank in the discharge of its function as Banker's Bank lends to the commercial banks is called Bank Rate.

(64) Ans. d

Explanation:

In India, Foreign Investments is prohibited in Chit Funds, Real Estate and Cigar manufacturing.

(65) Ans. d

Explanation:

In HUF Business It is a form of business particular to and recognized as such in India and there is a family involvement in business.

(66) Ans. d

Explanation:

characteristic of Business Environment is environment is dynamic and environment is complex and multi-faceted.

(67) Ans. c

(68) Ans. a

(69) Ans. d

(70) Ans. a

(71) Ans. d

(72) Ans. a

(73) Ans. b

(74) Ans. c

(75) Ans. b

(76) Ans. a

(77) Ans. d

(78) Ans. d

(79) Ans. b

(80) Ans. a

(81) Ans. b

(82) Ans. a

(83) Ans. b

(84) Ans. d

- (85) Ans. b
- (86) Ans. c
- (87) Ans. c
- (88) Ans. a
- (89) Ans. d
- (90) Ans. a
- (91) Ans. d
- (92) Ans. c
- (93) Ans. d
- (94) Ans. a
- (95) Ans. d
- (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

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