



K. K. Wagh Institute of Engineering Education & Research, Nashik
(An Autonomous Institute From A.Y. 2022-23)

WINTER-2025	
Exam Seat No.:	
Academic Year:2025-2026	Semester:I
Class:PG-I	Program:MBA
Branch Code: 10	Pattern:2024
Name of Course:Business Economics	Course Code:2410505
Max. Marks:60	Duration:2.30 Hrs.

Instructions: Candidates should read carefully the instructions printed on the Question Paper and on the cover page of the Answer Book, which is provided for their use.

1. This question paper contains 3 page(s).
2. Answer to each new question is to be started on a new page.
3. Assume suitable data wherever required, but justify it.
4. Draw the neat labelled diagrams, wherever necessary.
5. The last columns indicates the Course Outcome and level of Blooms Taxonomy of the Question/sub-question.
6. Q1 and Q2 are compulsory. Solve any one from a or b and c or d for Q3 to Q5.

Marks CO

Question No. 1

- 1a) Explain the central economic problems faced by an economy. (6) CO 1

Question No. 2

- 2a) Explain the use of Break Even point concept. Also find out Break-even quantity and demand for below functions. (6) CO 2

$$D = 500 - 40Q$$

$$S = 400 + 10Q$$

Where,

D = Demand

S = Supply

Q = Quantity

Question No. 3

- 3a) Illustrate production function and explain the law of diminishing of returns with the help of an example. (8) CO 3

OR

- 3b) Apply the concept of the expansion path to explain how firms adjust inputs for optimum output. (8) CO 3
- 3c) Calculate the blanks with proper explanation. (8) CO 3

Units of Labor	Work Done	Cost	MP_L	MRP_L	MRC_L
10	10	100			

20	30	150			
30	50	250			
40	80	400			
50	120	500			

If MR = 100

OR

3d) Calculate the blanks with proper explanation.

(8) CO 1,
CO 3

Units of Labor	Units of Capital	Work Done	MP_L	AP_L	MRTS
5	10	200			
10	20	400			
15	30	600			
20	40	800			
30	60	900			

Question No. 4

4a) Analyse how price and output are determined under perfect competition market.

(8) CO 4

OR

4b) Analyse the role of cartels and collusions in Oligopoly market. Also write down difference between Cartels and Collusion.

(8) CO 4

4c) Analyse the table and fill in the blanks with proper explanation.

(8) CO 4

Output	Fixed Cost	Variable Cost	Total Cost	AFC	AVC	Marginal Cost
5	10		50			
10	10		80			
15	10	100				
20	10	150				
30	10	200				

OR

4d) Analyse the table and fill in the blanks with proper explanation.

(8) CO 4

Output	Fixed Cost	Variable Cost	Total Cost	AFC	AVC	Marginal Cost
50	100		200			
100	100		180			
150	100	100				
200	100	150				
250	100		500			

Question No. 5

5a) Evaluate the role of monetary policy in controlling inflation.

(8) CO 5

OR

5b) Evaluate the effectiveness of fiscal policy in stabilizing economic fluctuations.

(8) CO 5

5c) Critically evaluate the challenges in measuring national income in developing economies.

(8) CO 5

OR

5d) Evaluate the significance of key economic indicators in assessing India's economic performance.

(8) CO 5

..... End of question paper.....