

**MAHARASHTRA ANIMAL AND FISHERY SCIENCES UNIVERSITY, NAGPUR**  
**SEMESTER END THEORY EXAMINATION, B.Tech. (Dairy Technology)**

Semester	: II (V Dean)	Academic Year	: 2024-2025
Course No.	: DBM-205	Course Title	: <b>Economic Analysis</b>
Credits	: 2+0=2	Total Marks	: 50
Day & Date	: Thursday; 21/08/2025	Time	: 2.00 hrs.

- Note :** 1) All questions from **Section 'A'** are compulsory.  
2) Solve **Any Three** questions from **Section 'B'**.  
3) Draw neat and well labeled diagram wherever necessary.

**SECTION – 'A'**

- Q. 1 A) Define the following. (05)
- Marginal Utility
  - Giffen goods
  - Opportunity cost
  - Break-even Point
  - Cartel
- B) Expand the following. (05)
- AFC
  - GDP
  - NNP
  - FC
  - BEP
- Q. 2 A) State whether True or False. If false, rewrite the statement after making necessary corrections. (05)
- Demand for substitute goods is elastic.
  - Consumer equilibrium is a situation when a consumer attains maximum satisfaction by spending his given level of income across different goods.
  - All Giffen goods are inferior goods, but all inferior goods are not Giffen goods.
  - Shut down point refers to a situation where a firm stops its production as it is not even able to recover its variable costs.
  - Gross Domestic Product (GDP) is the market value of the final goods and services produced within the domestic territory of a country.
- B) Choose the most appropriate answer from the options given below. (05)
- A consumer demands 5 units of a commodity at a price of Rs. 4 per unit, and demands 10 units when the price falls to Rs. 3 per unit. Price elasticity of demand is equal to .....
    - 1.5
    - 4
    - 3
    - 4.5
  - Shift in demand curve means .....
    - Fall in demand due to rise in price
    - Rise in demand due to fall in price
    - Change in demand without any change in price
    - None of these

(P.T.O.)

- iii) If the cost of production of 3 units of a commodity is Rs. 45 and the cost of production of 4 units is Rs. 80, then marginal cost will be .....
- a) Rs. 45                      b) Rs. 80  
c) Rs. 35                      d) Rs. 125
- iv) Which of the following costs does not change with the level of output in the short run?
- a) Fixed costs                  b) Variable costs  
c) Marginal costs              d) Total costs
- v) The difference between Gross National Product (GNP) and depreciation is .....
- a) Gross Domestic Product (GDP)    b) Net National Product (NNP)  
c) Disposable Personal Income         d) Per capita income (DPI)

## SECTION –‘B’

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|------|---|------|
| Q. 3 | A) Explain the Law of Diminishing Marginal Utility with suitable diagram.   | (05) |
|      | B) Explain Individual Demand Schedule and Market Demand Schedule with the help of suitable example and draw the diagram of individual demand curve and market demand curve on the basis of the example. | (05) |
| Q. 4 | A) Explain the characteristics of Perfect Competition.  | (05) |
|      | B) What is Law of Demand? Explain the types of Demand.  | (05) |
| Q. 5 | A) What is Inflation? Write the causes, effects and measures of Inflation.  | (03) |
|      | B) Explain the properties of Indifference Curve with diagram.   | (03) |
|      | C) Write a explanatory note on consumer surplus.  | (04) |
| Q. 6 | A) Define National Income. Explain three methods of measuring National Income.  | (03) |
|      | B) Differentiate between Fixed cost and Variable cost.  | (03) |
|      | C) Define Economies of Scale and Diseconomies of scale. Explain which are the internal and external Economies and Diseconomies of scale for a firm.   | (04) |
| Q. 7 | Define Elasticity of Demand. Discuss the types of Elasticity of Demand with formula. Explain the five degrees of Price Elasticity of Demand with diagram.   | (10) |

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