

Seat Number : _____

Duration: 2 1/2 Hrs

PROCS14NBE

Marks:- 75

Note:- 1) All questions are compulsory

2) All questions carry equal marks

3) Figures to the right indicate maximum marks.

Q.1A) State the following statements are true or false (Any 8)

(08 M)

- 1) Many economic decisions depend on marginal analysis.
- 2) The market supply curve slopes upwards to the right.
- 3) The monopoly firm faces a downward sloping demand curve.
- 4) Promotion elasticity is always positive
- 5) Expert opinion method is more accurate and reliable
- 6) Division of labor leads to labor economy
- 7) Total cost is summation of AVC and AFC
- 8) Total cost curve starts from above the origin.
- 9) Under perfect competition there is uniform price in the market
- 10) The monopolist has full control over the entire market supply

Q.1B) Match the following (Any 7)

(07 M)

- A
1. Transfer pricing
 2. Oligopoly
 3. Break even analysis
 4. Accounting cost
 5. Constant return to scale
 6. Statistical method
 7. Positive income elasticity
 8. Perfect competition
 9. Marginal concept
 10. Market supply curve

- B
1. Explicit cost
 2. Normal goods
 3. Intra – firm pricing
 4. Few seller
 5. Cost – Volume- Profit Analysis
 6. Marginal revenue and cost
 7. Horizontal straight line
 8. Quantitative method
 9. Horizontal demand curve
 10. Upward sloping

Q.2) Answer any 2 of the following:

1) Explain market demand curve with the help of market demand schedule.

(07 M)

2) Calculate the following.

(08 M)

(a) $Q=100 - 5p$, is the linear demand what is the total expenditure at $P = \text{Rs.}20$ and $\text{Rs.}10$

(b) $Q_d= 100-5p$ find the quantity demanded for price $\text{Rs. } 6$ and $\text{Rs. } 3$

OR

1) Explain the importance of business.

(07 M)

2) For the demand equation $Q= 90-3p$

(08 M)

(a) What is the quantity demanded for price of $\text{Rs. } 8$

(b) What price one would be willing to pay if the quantity demanded is $\text{Rs. } 60$.

Q.3) Answer any 2 of the following:

- 1) What is demand forecasting? Explain different types of demand forecasting. (07 M)
2) What are the different factors determining elasticity of demand (08 M)

OR

- 1) What is Iso-quant? Explain the properties of Iso-quant. (07 M)
2) Using the following data find AP and MP. (08 M)

Labour	0	1	2	3	4	5
TP	0	15	28	46	57	80

Q.4) Answer any 2 of the following :-

- 1) Explain features of Oligopoly. (07 M)
2) Given the TFC Rs.10. Calculate TC, MC, AFC, AC, AVC (08 M)

Output	0	1	2	3	4	5	6	7	8
TVC	0	12	22	30	36	42	50	62	80

OR

- 1) A small firm incurs fixed expenses amounting to Rs. 12000. Its variable cost of product X is Rs.5 per unit Its selling price is Rs.8. Determine its break-even quantity (BEQ) and Safety margin for the sales of 5000 units. (07 M)
2) Explain the characteristics of monopoly. (08 M)

Q.5) Answer of the following: -

- 1) Explain the wastes of monopolistic competition. (07 M)
2) What is price discrimination? What are the different degrees of price Discrimination? (08 M)

OR

Q.5) Write short notes on (Any Three) (15 M)

1. Transfer Pricing.
2. Statistical method
3. Determinants of demand
4. Role of advertising
5. Law of supply

XXXXX