

- Note: i) All questions are compulsory
ii) Figures to the right indicates full marks.
iii) Draw diagrams wherever necessary.

Q.1 a) State whether the following statement are True or False. (any 8) (08)

1. Functions express relationship between more variables.
2. Supply is inversely related to price.
3. All inferior goods are giffen goods.
4. Only small firms needs to forecast demand.
5. Isoquants are concave to the origin.
6. In perfect competition the seller is price maker.
7. For price discrimination product must differ in quality.
8. Externalities are always negative.
9. There is need government interference in perfect competition.
10. Dumping is temporary in nature.

Q.2 b) Match the following (any 7) (07)

- | | |
|---------------------------------------|--|
| 1. Variable | a. Income effect + substitution effect |
| 2. Supply curve | b. Diminishing marginal returns |
| 3. Price effect | c. Decline in Average cost |
| 4. Marginal revenue | d. Magnitude of interest |
| 5. Survey method | e. $AR > AC$ |
| 6. Law of variables proportion | f. Delphi method |
| 7. Learning curve | g. Direct relationship |
| 8. Oligopoly | h. Geographical distance |
| 9. Excess profit | i. Few seller |
| 10. Third degree price discrimination | j. $TR_n - TR_{n-1}$ |

Q 2. a) What are the steps involved in Demand forecasting?

b) Explain price elasticity of demand with the help of diagram.

OR

c) Discuss the importance of Demand for casting.

d) What are the factors determining elasticity of Demand?

(07)

Q.3 a) Explain laws of returns to Scale with the help of diagram.

(08)

b) Examine in detail External economies and diseconomies of scale.

(07)

OR

c) Explain the meaning of Isoquant and its types.

(08)

d) Given TFC as 500 and the data, calculate TVC, MC, AVC, AFC and AC.

(07)

Q	1	2	3	4	5
TC	20	60	90	120	150

Q.4 a) Elucidate Long run equilibrium under monopoly with the help of diagram.

(08)

b) Explain the concept of Kinky demand curve.

(07)

OR

c) Discuss role of advertisement under monopolistic competition

(08)

d) Explain the features of perfect competition.

(07)

Q.5 a) Discuss price Leadership and its types.

(08)

b) Discuss Dumping with the help of diagram.

(07)

OR

Q.5 Write short notes on (any 3)

(15)

1. Law of supply
2. Ridge lines
3. Income elasticity
4. Sources of monopoly
5. Mark up pricing