



Note :-

- 1) Q. No. 1 is compulsory.
- 2) Attempt Any Three Questions From the remaining.
- 3) Figures to the right indicates full marks.

- Q. 1 A) Define the concept. (6)
- 1) Total Revenue
 - 2) Break even point
 - 3) Price Discrimination.
- B) State True OR False with reasons.:- (4)
- 1) Price discrimination is Possible under same market conditions.
 - 2) A single price prevails under perfect competition.
- C) Distinguish between:- (4)
- 1) Identical cost and Differential cost.
 - 2) Normal profit and Excess profit.
- Q.2 A) State the equilibrium of a firm with the help of MR and MC approach. (6)
- B) Define 'perfect competition.' state its features. (6)
- Q. 3 A) Explain the short run equilibrium of a monopoly. (6)
- B) Case study -
- Firm A has fixed operating cost of ₹. 3000 The price per unit of its product is ₹12 and the variable cost per unit is ₹6
- Find the following.
- i) Break even sales in units. (2)
 - ii) Break even sales in amount. (2)
 - iii) Contributional marginal ratio. (2)
- Q. 4 A) Explain the short run equilibrium under differential cost with excess profit, normal profit, loss and shut down. (6)
- B) Explain long run equilibrium of a firm under differential cost. (6)
- Q. 5 A) case study :-
- A company wants to invest ₹20,000 in a project. The project is estimated to have the following expected annual cash flows.

Year	Cash flow (in ₹)
2	7,000
3	7,500
4	6,000
5	5,000

Calculate the following.

- i) Pay Back Period. (2)
- ii) Net Present Value (cost of capital is 10%) (4)
- B) Discuss the price rigidity system in oligopoly market with the help of kinked demand curve. (6)
- Q. 6 Write explanatory note on (Any 2) (12)
 - a) Features of monopolistic competition.
 - b) Features of oligopoly
 - c) Conditions for price discrimination.
 - d) Importance of capital budgeting.