

28/11/19

VCD _____ FYBMS B.ECO(I) I- SEMESTER EXAM 2019-20 75 MARKS TIME 2 ½ Hrs

- Note: i) All questions are compulsory.
 ii) All questions carry equal marks.
 iii) Figure to right indicates full marks.

Q1) Answer the following

(15 Marks)

A) Fill in the blanks (Attempt any 8)

(8 Marks)

- a) When price of a commodity increases, the _____ also increases.
 (stock, supply agricultural economics)
 b) PPF was propounded by _____
 (Philip Kotler, Paul Samuelson, Joel Dean)
 c) The demand for gold is _____
 (elastic, inelastic, relatively inelastic)
 d) When AED is _____ than I, firm can incur heavy expenditure on advertisement.
 (higher, lesser, greater)
 e) _____ method involves contacting each and every buyer.
 (Delphi, census, sample)
 Soft drinks are example of _____ market structure.
 (perfect competition, monopoly, monopolistic competition)
 f) In the long run production function all factors are _____.
 (constant, variable, fixed)
 g) _____ market is theoretical concept.
 (perfect, monopoly, duopoly)
 h) Kinked demand curve is found in _____ market structure.
 (Perfect competition, Oligopoly, Monopoly)

B) Match the following

(7 Marks)

Column A	Column B
1) Super normal profits in perfect competition	a) Long Run
2) Normal profits in perfect competition	b) Short Run
3) Law of Return to scale	Price stability
4) Pricing Policies	Import Embargo
5) Banning Dumping	Increasing /Diminishing/Constant
6) Complementary Demand	Geometric Method
7) Point Methods	Car and petrol

Q2 Attempt (A) and (B) or (C) and (D)

(15 Marks)

A) What are the exceptions of Law Of Demand.

(8 Marks)

B) The demand function for a product is $Q_d = 4000 - 0.20p$.
 ($p_1=400, p_2=500, p_3=600$)

(7 Marks)

OR

C) Explain with the help of diagram point and arc elasticities of demand

(8 Marks)

D) Define demand forecasting and its need for organization

(7 Marks)

Q3 Attempt (A) and (B) Or (C) and (D)

(15 Marks)

A) What is an isoquant? Explain its properties using diagrams.

(8 Marks)

B) Discuss briefly the Law of return to scale.

(7 Marks)

OR

C) Explain diseconomies to scale. And its types.

(8 Marks)

D) Explain the features of monopolistic competition. (7 Marks)

Q4) Attempt (A) and (B) Or (C) and (D) (15 Marks)

A) Explain the concept of long run equilibrium of a firm in perfect competition with the help of diagram. (8 Marks)

B) Define monopolistic competition and explain its features. (7 Marks)

OR

C) Explain the role of advertisement under monopolist competition. (8 Marks)

D) Distinguish between marginal cost pricing and full cost pricing. (7 Marks)

Q5) Write Short Notes on : (Any Three)(5 Marks each) (15 Marks)

- 1) Incremental cost
- 2) Price discrimination
- 3) Price Elasticity
- 4) Explicit Cost
- 5) Price Leadership

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