

F.Y. Bcom (B/I) (1 sem) Economics.  
Feb-2006

Time : 3 hrs.

TELEVISION

Marks :100

- N.B. : 1) All questions are compulsory.  
2) Draw neat & clear diagrams wherever necessary.  
3) Figures to the right indicate full marks.

- Q.1 A) Define any FOUR of the following concept 8
- i) Break even point.
  - ii) Price discrimination.
  - iii) Cross elasticity of demand.
  - iv) Normal profit.
  - v) Implicit cost.
  - vi) Equation

- Q.1 B) The short run costs (STC) for different level of output (Q) are given in the following schedule. 7
- |     |    |     |     |     |     |     |     |     |     |     |      |
|-----|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|
| Q.  | 0  | 20  | 40  | 60  | 80  | 100 | 120 | 140 | 150 | 160 | 180  |
| STC | 80 | 200 | 260 | 300 | 320 | 340 | 370 | 420 | 453 | 500 | 720. |

Find out the levels of output at which

- i) Total loss is maximized.
  - ii) Total profit is maximizes.
  - iii) The break even points.
- Q.2 A) Explain the concept of scarcity . Hoe does it gives rise to economic problems. 7
- B) Distinguish between any Two 8
- i) General equilibrium & partial equilibrium.
  - ii) Static analysis & dynamic analysis
  - iii) Micro economics & macro economics.

OR

- Q.2 A) Explain various types of income elasticity , of demand 7
- B) Write short notes on any TWO of the following 8
- i) Promotional elasticity of demand.
  - ii) Significance of demand forecasting
  - iii) Secondary sources of data collection.

- Q.3 A) What do you mean by production function? 5
- B) Elaborate various economies & diseconomies of scale. 10

**Q.3** Describe various concepts of short run costs with the help of suitable schedule & diagrams. 15

**Q.4 A)** Explain how a perfectly competitive firm attains equilibrium in short period 10

**B)** What are the types of price discrimination 5

**OR**

**Q.4 A)** Explain various features of monopolistic competition. 5

**B)** Suppose the firm has five investment proposals with following data. Rank these proposals under pay back period. 5

Project	Initial Investment (Rs.)	Annual Cash Flow (Rs.)	Life in Years
A	20,000	4,000	8
B	6,000	2,000	3
C	8,000	4,000	5
D	12,000	3,000	10
E	15,000	2,500	15

**Q.4 C)** Explain the meaning & need of project planning 5

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