> **Note :**
> 1) Question No. 1 is compulsory.
> 2) Solve any 3 questions out of Q.2 to Q.7

Q. 1   Write short notes on any 2:-   12

   a)   Profit Maximisation by firms

   b)   Practical application of elasticity of demand.

   c)   Criticism of Marshallian Utility approach

   d)   Criticism of Ordinal Utility approach.

   e)   Law of Demand.

Q.2   a)   What is cross Elasticity ? Discuss types of Cross elasticity.   12

   b)   4

Consumer Income (Rs. Per month)	Purchase of Basmati Rice (Kgs.)
5000	5
6000	7

Calculate Income Elasticity of demand for Basmati Rice.

Q.3   a)   What is short-run and Long-run production functions ?   6

   b)   Properties of ISO-quants : discuss.   10

Q.4   Using Least squares Method, find the trend values.   16

Year	1999	2000	2001	2002	2003
Sales (Rs. in Lakhs)	120	140	150	170	190

Project sales for years 2005 and 2006

Q.5   a)   Explain relation between Advertising and Demand. How to calculate -   9

     1)   Advertising elasticity of demand.

     2)   Arc advertising elasticity of demand.

   b)   Explain factors influencing elasticity of demand.   7

Q.6   Discuss in details the criticism of ordinal utility approach and its superiority to cardinal Approach.   16

Q.7   a)   What is demand forecasting ?   6

   b)   Critically evaluate the following methods.   10

     1)   Survey Method

     2)   Market experimentation.