

Seat No. : _____

BA-125

May-2015

B.B.A., Sem.-IV

CC-212 : Managerial Economics – II

Time : 3 Hours]

[Max. Marks : 70

1. (a) Explain short run equilibrium of a perfectly competitive firm. 7
OR
Discuss the various features of a firm where entry of a new firm is restricted.
- (b) How AR & MR and elasticity of demand are related in perfect competition ? 7
OR
Write a note on short run equilibrium of firm under Monopoly.
2. (a) Write a note on Dumping. 7
OR
How AR and MR are related in Monopolistic competition ?
- (b) When price-discrimination is profitable ? 7
OR
Write a note on long run equilibrium of firm under Monopolistic competition.
3. (a) Write a note on Kinky demand curve. 7
OR
Write a note on Price Leadership.
- (b) Explain the concept of cartel with suitable examples. 7
OR
Discuss the various features of Oligopoly Market.
4. (a) Write a note on Break Even Analysis. 7
OR
Discuss the various objectives of Pricing Policy.

(b) Explain follow two concepts of pricing in detail :

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- (i) Full cost pricing
- (ii) Skimming pricing

OR

Calculate BEP for the following values. When firm is incurring 1,00,000 total cost out of which 50% is used on purchase of machinery. If it charges ₹ 10 per unit and incurring ₹ 5 per unit variable cost. Calculate BEP.

5. Objectives :

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- (i) Define Perfect Competition.
- (ii) In case of perfect competition, firm is incurring huge selling cost. (True or False)
- (iii) Which is the first order equilibrium condition for the Monopoly market ?
- (iv) In monopoly market, elasticity of demand is perfectly elastic. (True or False)
- (v) Define Dumping.
- (vi) Explain any two features of Monopolistic Market.
- (vii) What is the condition to make price discrimination profitable ?
- (viii) Price discrimination is possible in case of _____ market.
- (ix) _____ of products are sold in monopolistic market.
- (x) If a firm is making normal profit in monopolistic market, the short run AC is touching AR curve. (true / false)
- (xi) Give any two objectives of BEA.
- (xii) Break even is a point of maximum profit.
- (xiii) Define Mark up Pricing.
- (xiv) Write a formula to find out contribution ratio.
