MA-109

March-2022

M.Com., Sem.-I

401 : Economics

(Business Economics)

Time : 2 Hours]   **[Max. Marks : 50**

SECTION – I

Attempt any **two** questions from the following :

1. Explain the basic problems of an economy and discuss the role of Price Mechanism. **20**

2. (a) Explain the concept of Consumer Surplus satisfaction. **10**

    (b) Discuss the law of variable proportions. **10**

3. Explain price determination in perfect competition. **20**

4. Explain the concept of pricing strategies. **20**

SECTION – II

1. The Cardinal concept of utility analysis was explained by **10**

    (a) Marshall   (b) Hicks

    (c) Robbins   (d) Keynes

2. GNP = GDP + _____

    (a) I.T.   (b) N.F.I.A.

    (c) Subsidy   (d) None of above

3. The price elasticity of demand for Match box is

    (a) less   (b) more

    (c) zero   (d) unitary

4. If marginal rate of substitution is constant then indifference curve is

    (a) downward sloping straight curve   (b) upward sloping curve

    (c) horizontal to x axis   (d) None of the above

5. The law of returns to scale is applicable to _____

   (a) short run   (b) long run

   (c) very short run   (d) None of above

6. Which of the following is the direct method of demand forecasting ?

   (a) Expert opinion method   (b) Consumer survey method

   (c) Both of the above   (d) None of above

7. _____ degree price discrimination is based on consumer surplus satisfaction.

   (a) First   (b) Second

   (c) Third   (d) None of above

8. According to the law of variable proportion, when marginal production is zero, total production is _____

   (a) zero   (b) maximum

   (c) minimum   (d) negative

9. As per price penetration strategy, the firm enters in the market with _____ price.

   (a) zero   (b) high

   (c) low   (d) None of above

10. Skimming pricing strategy mentions to charge _____ price in beginning.

   (a) zero   (b) low

   (c) very low   (d) high

_____