

**C.U.SHAH UNIVERSITY**

Wadhwan City

Subject Code : 4CO01BEC1

Summer Examination-2014

Date: 2/06/2014

Subject Name: Business Economics-II

Branch/Semester:-B.com(Eng) /II

Time:2:00 To 5:00

Examination: Regular

**Instructions:-**

- (1) Attempt all Questions of both sections in same answer book / Supplementary
- (2) Use of Programmable calculator & any other electronic instrument is prohibited.
- (3) Instructions written on main answer Book are strictly to be obeyed.
- (4) Draw neat diagrams & figures (If necessary) at right places
- (5) Assume suitable & Perfect data if needed

**SECTION – I**

<b>Q. 1</b>	<b>Do as directed.</b>	
1	Define perfect competition with features.	02
2	Define Price Discrimination with Examples.	02
3	Define Monopoly.	02
4	Explain concept of selling cost	01
<b>Q.2</b>	1 Explain price determination in short run under perfect competition and equilibrium of firm and industry.	05
	2 Explain the causes of monopoly	05
	3 Short Notes: Product Differentiation	04

**OR**

1	What is monopolistic competition? Describe the characteristics of Monopolistic competition.	05
2	Discuss different types of monopoly.	05
3	Describe the limitation of selling cost	04
<b>Q.3</b>	1 Describe advantages and disadvantages of price discrimination.	07
	2 When does price discrimination become possible and profitable?-Explain	07

**OR**

1	Explain equilibrium of group in short run under monopolistic competition.	07
2	Compare perfect competition and monopoly	07

**SECTION-II**

<b>Q.4</b>	<b>Do as directed</b>	
1	Differentiate between production cost and selling cost.	03
2	Explain concept of Economic rent	02
3	Define oligopoly.	01
4	Explain meaning of Interest.	01
<b>Q.5</b>	1 Classify nature and objectives of selling cost.	05
	2 Explain the characteristics of oligopolistic competition.	05
	3 Short note on: Quasi rent	04



**OR**

- |     |   |   |    |
|-----|---|---|----|
|     | 1 | Discuss Price rigidity under the law of Kinked demand curve               | 05 |
|     | 2 | Discuss difference between accounting profit and economic profit.         | 05 |
|     | 3 | Short note: Price Leadership  | 04 |
| Q.6 | 1 | Discuss characteristics of monopolistic competition.                      | 07 |
|     | 2 | Explain equilibrium of group in short run under monopolistic competition. | 07 |

**OR**

- |  |   |  |    |
|--|---|--|----|
|  | 1 | Explain the effects of selling cost on demand curve with help of figure. | 07 |
|  | 2 | Explain factors affecting real wages.                                    | 07 |

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