

Dear Students

I have prepared a question bank for semester II here to help study the subject of Economics with ease.

I hope you will find this question bank useful. In case of any query, contact me at lthatte@gmail.com

With Best Wishes

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FYBA ECONOMICS : QUESTION BANK FOR SECOND SEMESTER

UNIT 1

Q1) Answer the following: 5 marks each

- A) What are the uses of breakeven point?
- B) 'A Firm under Perfect Competition is a price taker' .Explain.
- C) Describe profit maximization with the help of TR and TC curves.
- D) 'A monopolist can either decide output or price' .Explain.
- E) Describe the factors affecting breakeven point.
- F) 'The slope of AR curve is different in Monopoly and Perfect Competition. 'Explain

Q2) Answer the following: 8/7 Marks each

- i) Diagrammatically depict the relation between AR and MR under Perfect Competition.
- ii) Compute TR and MR from the following data:

Units of Product	1	2	3	4	5	6	7
Price	7	6	5	4	3	2	1

- iii) Describe the profit maximization with help of TR and TC curves
- iv) Define breakeven point.
- v) Diagrammatically depict the relation between AR and MR under Monopoly.
- vi) Compute TR and MR from the following data:

Units of Product	1	2	3	4	5	6	7
Price	7	7	7	7	7	7	7

- vii) Describe profit maximization by referring to MR and MC curves.
- viii) State the relation between AR,MR and Elasticity of demand.

UNIT 2

Q1) Answer the following: 5 marks each

- i) Describe the conditions necessary for profitable price discrimination.
- ii) Distinguish between monopolistic competition and oligopoly
- iii) Describe the various degrees of price discrimination.
- iv) Describe monopoly equilibrium under increasing costs.
- v) Distinguish between perfect competition and monopoly.
- vi) Describe monopoly equilibrium under constant costs.

Q2) Answer the following: 8/7 Marks each

- i) Describe the long run equilibrium of a firm under monopoly.
- ii) Describe the wastages under monopolistic competition.
- iii) Describe the equilibrium of a discriminating monopolist in two different markets at home.
- iv) Describe the long run equilibrium of a firm under monopolistic competition.
- v) Describe the short run equilibrium of a firm under perfect competition.
- vi) Describe product differentiation.
- vii) Write a note on dumping.
- viii) Describe the features of Oligopoly.
- ix) Describe the features of Perfect Competition.
- x) What is selling cost ?
- xi) What are the features of monopoly?
- xii) Write a note on kinked demand curve.

UNIT 3

Q1) Answer the following: 5 marks each

- i) What is full cost pricing?
- ii) Define capital budgeting.
- iii) What is multiproduct pricing?
- iv) Define net present value.

Q2) Answer the following: 8/7 Marks each

- i) Explain marginal cost pricing.
- ii) What is net present value ?
- iii) What are the merits and demerits of marginal cost pricing?
- iv) What is multiproduct pricing?
- v) Explain merits and demerits of full cost pricing.
- vi) Explain Bain's model.
- vii) What is the importance of capital budgeting?
- viii) Write a note on Pay Back period.
- ix) What is capital budgeting?