

DECEMBER 2014

P/ID 17439/RBV

Time : Three hours

Maximum : 75 marks

PART A — (5 × 5 = 25 marks)

Answer ALL questions.

1. (a) What is demand? Briefly explain the factors influencing demand.
Or
(b) Illustrate the price elasticity of demand.
2. (a) Highlight the features of monopoly market.
Or
(b) Explain the various types of costs associated with production.
3. (a) Differentiate money market from capital market.
Or
(b) Distinguish between new issue market and stock market.
4. (a) Analyse the problems encountered in measuring national income.
Or
(b) Briefly explain the components of BOP.

5. (a) What is dual pricing?

Or

(b) State the strategy to be adopted by a firm in pricing a new product.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

6. Explain the various degrees of price elasticity of demand.
7. Define cross elasticity of demand. Highlight its application in managerial decision making.
8. Discuss with diagram short run cost-output relationship.
9. Classify and analyse managerial decision problems.
10. Explain the working and leakages of multiplier.
11. What is interest? How it is determined?
12. Diagrammatically explain the various phases of trade cycle.
13. Explain the various methods of pricing.