

MAY 2012

P/ID 17439/RBV

Time : Three hours

Maximum : 75 marks

PART A — (5 × 5 = 25 marks)

Answer ALL questions.

All questions carry equal marks.

1. (a) Explain the main determinants of market structure.

Or

- (b) What are the various forms of market? Discuss.

2. (a) Explain and illustrate the concept $MR=MC$ in arriving maximum profit.

Or

- (b) Briefly explain short-run and long-run cost curves.

3. (a) Identify the steps involved in trading on a stock exchange.

Or

- (b) What are the functions of capital market? Discuss.

4. (a) What are the uses of national income statistics? Explain.

Or

- (b) What do you mean by trade cycle? Briefly explain its phases.

5. (a) Explain the objectives of price policy.

Or

- (b) Explain the various aims of profit policy.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

All questions carry equal marks.

6. State and explain the law of demand and bring out its significance in business.
7. Explain and illustrate the concept of elasticity of demand.
8. 'In the long-run, all costs are variable' – Discuss.
9. Explain marginal cost with illustration and its significances.
10. How does the settlement take place on a stock exchange? Explain.

11. Define money market. Explain its functions.
 12. What is national income? Describe how it could be measured?
 13. Explain the pricing over the life cycle of a product.
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