

**BBA**  
**Semester-IV**

*March-2015*

**Advance Economics Applications in Business-2**

**Subject Code-3732**

**Time: 2.30 Hours**

**Total Marks: 70**

Instructions: (A) All Questions are compulsory  
(B) Each Question carries equal Marks

**Q. 1** Name various theories of profit. Discuss critically Innovation theory of profit in detail.

**OR**

**Q. 1** Discuss various methods of estimation of cost function in detail.

**Q.2** What is Break-even point? Discuss the Break-even analysis with the help of diagram.

**OR**

**Q.2** Discuss the importance of Break-even analysis in profit forecasting in detail.

**Q.3** What is Marginal Revenue? What is Average Revenue? Discuss their relationship with appropriate diagram in detail.

**OR**

**Q.3** Discuss the nature of Demand curve for a firm under perfect and imperfect competition with suitable diagrams.

**Q.4** What is price discrimination? Under what circumstances it is possible and profitable? Discuss in detail.

**OR**

**Q.4** State the key features of Perfect competition. How a firm attains equilibrium under perfect competitive market in short run discuss in detail.

**Q.5** What are the various techniques of pricing? Discuss in detail.

**OR**

**Q.5** Discuss various reasons and consequences of government intervention in pricing in detail.