#### M.E. S'S VASANT JOSHI COLLEGE OF ARTS & COMMERCE

### **ZUARINAGAR, GOA**

### B.COM (NEP) III SEMESTER END ASSESSMENT (REGULAR), OCTOBER/NOVEMBER 2024

# **ECO 232 ECONOMICS Managerial Economics (Multi-Disciplinary)**

**Instructions:** (i) All questions are compulsory.

- (ii) Draw diagrams wherever necessary.
- (iii) The use of simple calculator is permitted.
- (iv) Figures to the right indicate marks.

DURATION: 02 HOURS TOTAL MARKS: 60

# Q.1) Answer the following in about 50 words

 $(6 \times 2 = 12 \text{ Marks})$ 

- I. Define implicit cost and explicit cost.
- II. List any two features of monopoly.
- III. Define peak-load pricing.
- IV. Define cost-plus pricing.
- V. Define net present value.
- VI. Define profit maximization.

## Q.2) Answer the following in about 150 words

(5 Marks)

A) State any three economic concepts related to business decision making.

OR

## Q.2) Answer the following in about 150 words

(5 Marks)

A) Enumerate the features of perfect competition.

# Q.2) Answer the following in about 150 words

(5 Marks)

B) Describe perceived value pricing and loss-leader pricing.

## Q.2) Answer the following in about 50 words

(2 Marks)

C) Define duopoly.

# Q.3) Answer the following in about 150 words

(5 Marks)

A) Identify any three components of cost.

OR

# Q.3) Answer the following in about 150 words

(5 Marks)

A) Compare any two factors affecting the demand for essential goods and luxury goods.

### Q.3) Answer the following in about 150 words

(5 Marks)

B) Illustrate price skimming pricing strategy with the help of a diagram.

# Q.3) Answer the following in about 50 words

(2 Marks)

C) Identify the two primary types of capital that influence a company's overall cost of capital.

# Q.4) Answer the following in about 150 words

(5 Marks)

A) Indicate the importance of cyclical pricing in business decision-making.

OR

# Q.4) Answer the following in about 150 words

(5 Marks)

A) Identify the three types of revenue.

#### Q.4) Answer the following in about 150 words

(5 Marks)

B) Illustrate the behaviour of firms under oligopoly with the help of kinked demand curve theory.

#### Q.4) Answer the following in about 50 words

C) Compare sealed bid pricing with multi-product pricing.

(2 Marks)

### Q.5) Answer the following in about 150 words

(5 Marks)

- A) A company manufactures handcrafted lamps. The fixed costs, including rent and overheads, are ₹8,000 per month. The variable cost per lamp produced is ₹40. With the given information, calculate the
- i) Total Cost (TC) if the company produces 150 lamps in a month.
- ii) Total Fixed Cost (TFC) and the Total Variable Cost (TVC) for producing 150 lamps.

OR

#### Q.5) Answer the following in about 150 words

(5 Marks)

- A) A firm produces ceramic mugs with a variable cost of ₹5 per mug and fixed costs of ₹15,000. The company expects to sell 1,500 mugs. They plan to apply a 20% markup on sales to determine the price. With the given information, calculate the
  - i) Total unit cost, including both variable and fixed costs.
  - ii) Selling price per mug after applying the 20% markup.

# Q.5) Answer the following in about 150 words

(5 Marks)

B) A company is considering two projects, Project A and Project B. Both projects have an initial investment of ₹50,000 and will generate the following cash flows over 3 years. The company's required rate of return is 12 percent.

Year	Project A (₹)	Project B (₹)
1	20,000	25,000
2	25,000	30,000
3	30,000	35,000

i) Calculate the NPV for both projects and determine which project should be selected based on NPV.

## Q.5) Answer the following in about 50 words

(2 Marks)

C) A firm earns a revenue of ₹1,50,000, cost of goods sold of ₹40,000, operating expenses of ₹30,000, interest of ₹10,000, and taxes of ₹20,000. Calculate the net profit for the firm.