Program:	**S.Y.B.Com**	**Semester:**	**III**	**Program Code:**	**UGCOM01**
Course:	**Business Economics - II**			**Course Code:**	**NUCM306**
Duration:	**2 Hour**	**Examination Pattern:**	**NEP-Autonomous - External**	**Max. Marks:**	**60**

Instructions:

1. Attempt **ANY FOUR** questions
2. Figures to the right indicate full marks.
3. Draw neat diagrams wherever necessary.
4. CO (Course Outcome), KL (Knowledge Level).

Examination:

REGULAR

Q.1		**Case Study Analysis:**	[15]	CO's	KL's
		A pharmaceutical company named MedCare Ltd. is the only producer of a particular life-saving medicine in a small market because it holds an exclusive patent. Since there are no close substitutes, the company faces the entire market demand. MedCare can influence the price by deciding the quantity of medicine supplied. The company observes that when it reduces the price, consumers purchase more units, but the additional revenue earned from each extra unit is lower than the price of the previous unit. The firm's marginal revenue therefore remains below its average revenue. MedCare continues increasing production until its marginal revenue becomes equal to its marginal cost. It then determines the price consumers are willing to pay for that quantity from the demand curve.			
	(a)	Why can MedCare Ltd. be considered a monopoly?		CO1	L3
	(b)	Why is the firm's marginal revenue lower than its average revenue?		CO1	L3
	(c)	How does MedCare determine its profit-maximising level of output?		CO2	L4
	(d)	What happens to the firm's price when it reduces the quantity supplied?		CO2	L2
	(e)	Explain how the case demonstrates the relationship between AR and MR under monopoly.		CO1	L2
Q. 2		**Attempt any TWO of the following.**	**[15]**	**CO's**	**KL's**
	(a)	What are the features of the Perfect Competition?		CO1	L1
	(b)	What are the features of Collusive and Non Collusive Oligopoly market?		CO1	L3
	(c)	Explain the role of advertising in the Monopolistic Market.		CO1	L2
Q. 3		**Attempt any TWO of the following.**	**[15]**	**CO's**	**KL's**
	(a)	What are the conditions of price discrimination under Monopoly Market?		CO2	L3
	(b)	Explain the importance of Capital Budgeting.		CO2	L2
	(c)	Explain the various steps involved in Capital Budgeting.		CO2	L2

Q. 4		**Attempt any TWO of the following.**	**[15]**	**CO's**	**KL's**
	(a)	What are the differences between Direct tax and Indirect tax?		**CO3**	**L2**
	(b)	What are the principles of Taxation?		**CO3**	**L1**
	(c)	Explain the Dalton's theory of Public Revenue.		**CO3**	**L3**
Q. 5		**Attempt any TWO of the following.**	**[15]**	**CO's**	**KL's**
	(a)	What are the different types of Budget?		**CO4**	**L1**
	(b)	Explain the importance of Budget.		**CO4**	**L2**
	(c)	What are the limitations of FRBM Act'2003?		**CO4**	**L1**
Q. 6		**Attempt any FIVE of the following.**	**[15]**	**CO's**	**KL's**
	(a)	Cartels.		**CO1**	**L1**
	(b)	Capital budgeting techniques.		**CO2**	**L1**
	(c)	Fiscal Deficit.		**CO3**	**L1**
	(d)	Growth of Public expenditure.		**CO3**	**L1**
	(e)	Internal debt.		**CO4**	**L1**
	(f)	Types of market.		**CO1**	**L1**

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