(58)   **SEAT No.**_____

Sardar Patel University
Vallabh Vidyanagar - 388120
Semester End Examination March/April 2018

T.Y.B.A (advanced) Semester VI
UA06EEEC01 - Economic Analysis II

Date: 5th April 2018, Thursday   Total Marks: 60

Time: 2.00 pm to 4.00 pm

Note: Figures to the right indicate marks

Draw Diagrams and cite examples wherever necessary.

Q:1   Attempt the following-   (15)

1)   Which of the following are the characteristics of BEP
a) There is no loss and profit to the firm	b) Total revenue is equal to total cost
c) Contribution is equal to fixed cost	d) All of these

(2)   A firm obtains maximum profit when
a)TR is maximum	b)TR is maximum and TC minimum
c) BEP	d)none of the above.

(3)   Break even analysis is used in Make or Buy Decision.   TRUE/FALSE

(4)   Using the eqation method BEP is calculated as
a) Sales is equal to variable expense plus fixed expense plus profit	b) Sales is equal to variable expense plus fixed expense minus profit
c) Sales is equal to variable expense minus fixed expense plus profit	d) None of these

(5)   The most important objective of a modern firm is
a)profit maximization	b) sales maximisation
c) employee satisfaction	d) all the above

(6)   TR-TC=
a)loss	b)profit
c)BEP	d)None of the above

7)   Opportunity cost is the cost of _____

8)   The cost that does not change in total with the change in activity is called
a) Mixed Cost	b) Fixed Cost
c) Prime Cost	d) Unchanged Cost

9)   Going rate price is _____

10)   Postponable cost is _____

11)   Replacement cost means _____

12)   Price ceiling is _____

13)   Social cost means_____

14)   Private cost is_____

15)   Money cost means_____

①   (P.T.O.)

Q.2	What is cost benefit analysis?	(15)
	OR	
Q.2	What is break even analysis? Explain any five uses of BEA.	(15)
Q.3	What is pricing? Discuss any three types of pricing strategies.	(15)
	OR	
Q.3	Explain the concept of opportunity cost with the help of examples.	(15)

Q.4   Attempt ANY TWO of the following -   (15)
A. Types of Government intervention in pricing
B. Difference between private cost and social cost
C. Calculate the breakeven point when the price of the product is Rs 10/-, fixed cost is Rs 50000/- and variable cost is Rs 5/-.
D. Limitations of cost benefit analysis

---

②