NS – 412

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I Semester B.Com. Examination, November/December 2016
(2012-13 & Onwards) (Repeaters)
COMMERCE
1.4 : Market Behaviour and Cost Analysis

Time : 3 Hours Max. Marks : 100

Instructions : *Answer should be written* ***completely*** *either in* ***English*** *or in* ***Kannada.***

SECTION – A

1. Answer **any 10** sub-questions. **Each** sub question carries **2** marks : **(2×10=20)**

a) Give any 4 features of decision making.

b) Give the meaning of strategic decision.

c) Write any 2 merits of wealth maximisation.

d) Give the meaning of Trend Projection.

e) Distinguish between "Stock" and "Supply".

f) If AC is ₹ 10 P.U. & AVC is ₹ 6, what is the value of AFC ?

g) What do you mean by contribution ?

h) Give the meaning of angle of incidence.

i) What is Psychological pricing ?

j) Define price discrimination.

k) What is cost of Debt ?

l) Give the meaning of Pay Back Period.

P.T.O.

SECTION – B

Answer **any 4** questions. **Each** question carries **8** marks. **(8×4=32)**

2. What are the steps involved in demand forecasting ?

3. Write a short note on the following :

   a) Marginal cost pricing

   b) Price leadership.

4. Describe supply. What are the reasons for the change in supply ?

5. With the help of following data, find out price elasticity of demand by adopting total outlay method :

	Price P.U	Quantity demanded
a)	6.00	1000
	5.00	1400
	4.00	1800
b)	6.00	1000
	5.00	1200
	4.00	1500
c)	6.00	1000
	5.00	1100
	4.00	1250

6. The following information is obtained from ABC Co. Ltd.

Particulars	Cost P.U. (₹)
Materials	20
Labour	10
Other variable Overhead	03
Fixed expenses	18000

If selling price is ₹ 40, calculate B.E.P.

SECTION – C

Answer **any 3** questions. **Each** question carries **16** marks. **(16×3=48)**

7. Define decision making. Describe the various types of Business decisions.

8. Discuss the various methods of pricing.

9. A small firm has a fixed cost of ₹ 200. TVC for the successive quantities of output per day are as follows. Find the TC, AFC, AVC, AC and MC of the firm for each level of output.

Output (in units)	1	2	3	4	5	6	7
Total V.C. (in ₹)	300	560	750	800	1050	1320	1820

10. A company's budgeted P&L a/c for the half year ending 30th June 2015 is as follows :

Sales	₹ 3,00,000
Fixed cost	₹ 30,000
Variable cost	₹ 2,40,000
Profit	₹ 30,000

You are required to calculate :

a) P/V Ratio

b) B.E.P.

c) Margin of safety.

d) The sales volume at which will make a profit of ₹ 10,000.