A
(21119)

Roll No. ....

Total Questions : 13]   [Printed Pages : 4

18061

B.B.A. Vth Semester Examination, Nov., 2019

MANAGERIAL ECONOMICS

(BBA–502)

Time : 3 Hrs.]   [M.M. : 75

Note :– Attempt all questions from all Sections as per instructions.

Section–A

(Very Short Answer Type Questions)   3×5=15

Note :– Attempt all the *five* questions. Each question carries 3 marks. Very short answer is required not exceeding **75** words.

1. What is meant by elasticity of demand ?

2. Define the term differential cost.

3. Write a short note on Profit Management.

4. Describe main features of Perfect Competition.

5. Discuss the scope of Managerial Economics.

Section–B

(Short Answer Type Questions)   7½×2=15

Note :– Attempt any *two* questions. Each question carries 7½ marks. Short answer is required not exceeding **200** words.

6. A company sells 4000 units of its product at the rate of ₹ 20 per unit. On the recommendation of sales manager, the price of the product is reduced to ₹ 16 per unit, as a result of which the demand of the product rose to 6000 units. Calculate elasticity of demand.

7. What do you mean by Law of Returns ?

8. Discuss the relationship of Short-run and Long-run Average Cost Curves.

Section—C

(Long Answer Type Questions) 15×3=45

Note :— Attempt any *three* questions. Each question carries 15 marks. Answer is required in detail.

9. Discuss the main features of Monopolistic Competition. How can such competition be sustained ?

10. Why do Profit Arise ? Discuss the concept of profit under static and dynamic condition.

11. The Bharat Trading Ltd. manufacture one identical product 'Y'. The following figures are available for two successive years :

	Year I (₹)	Year II (₹)
Sales	3,00,000	3,60,000
Fixed Cost	90,000	1,20,000
Variable Cost	1,50,000	2,16,000

The directors are interested to know the Profit-volume Ratio, Break-even Points and Margin of Safety.

12. "Inflation is an excess of demand of anything over the supply of everything." Discuss this statement and analyse the factors that result in inflation.

13. An investigation into the demand for Coolers in 5 towns has resulted in the following data :

Population of the town (in Lakhs) x	No. of Coolers demanded y
5	45
7	65
8	55
11	75
14	95

Fit a linear regression of *y* on *x* and estimate the demand for Coolers for a town with a population of 20 lakhs.