

Roll No. : .....

Total No. of Questions : 7 ]

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# UGP-304

## B.B.A. (Part-II) Examination, 2021

Paper - BBA 201

### (MANAGERIAL ECONOMICS)

*Time : 1½ Hours ]*

*[ Maximum Marks : 70*

#### Section-A

**(Marks : 2 × 10 = 20)**

*Note :-* All the *ten* questions are compulsory. Each question is to be attempted in **50** words. Each question carries **2** marks.

#### Section-B

**(Marks : 10 × 3 = 30)**

*Note :-* Attempt any *three* questions. Each question is to be attempted in **500** words. Each question carries **10** marks.

#### Section-C

**(Marks : 20 × 1 = 20)**

*Note :-* *One* question based on case study is compulsory and carries **20** marks.

#### Section-A

1. (i) What is meant by normative economics ?
- (ii) Explain demand curve.
- (iii) What is Price effect ?

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- (iv) State any *two* limitations of demand forecasting.
- (v) What is expansion path ?
- (vi) What is meant by BEP ?
- (vii) State general theory of price determination.
- (viii) Explain marginal revenue.
- (ix) Distinguish between liquidity preference theory and loanable funds theory.
- (x) Explain work-leisure ratio.

### **Section-B**

2. Define macro economic analysis and discuss its utility in formulating the business policies.
3. Explain the concept of 'Elasticity of Demand' and describe factors affecting elasticity of demand.
4. What do you understand by law of diminishing returns ? What are the assumptions of the law of diminishing returns ?
5. Define Monopoly. What are the considerations before a monopolist while fixing the price ? Discuss.
6. "The theory of profit is at present the most controversial and unsatisfactory branch of economic theory." Discuss.

**Section-C**

7. (i) The output and total cost data of a firm are given below :

Output (Units)	0	1	2	3	4	5
Total Cost (P.S.)	30	50	66	72	94	130

Compute AUC, AFC, ATC and MC. 10

- (ii) “Business Economics is the integration of economic theory with business practice for the purpose of facilitating decision-making.” Explain. 10