



PRESIDENCY COLLEGE

(AUTONOMOUS)

AFFILIATED TO BENGALURU CITY UNIVERSITY, APPROVED BY AICTE, DELHI & RECOGNISED BY THE GOVT. OF KARNATAKA
RE-ACCREDITED BY NAAC WITH 'A+' GRADE

21X101.1Z

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END TERM EXAMINATION MARCH 2022
BBA/ BCA - I SEMESTER
G3101.1Z/ G2103.1Z: MANAGERIAL ECONOMICS - OE

Duration: 2 Hours

Max Marks: 60

Instruction: Answers should be written in English only

PART- A

Answer any **EIGHT** questions. Each question carries **TWO** marks.

(8 X 2=16)

1. State the factors that affect the supply of a commodity?
2. A firm is operating with a total variable cost of rupees 500 when five units of the given output are produced, and the total fixed cost are rupees 200. What will be the average total cost of producing 5 units of output?
3. Consumer buys 200 units of a good at a price of Rs. 20 per unit. Price elasticity of demand is -2. At what price will he be willing to purchase 300 units?
4. Explain production possibility curve with the help of a diagram.
5. Explain the classification of commodities according to income elasticity of demand.
6. State the law of diminishing marginal utility. Give any two assumptions of the law.
7. Distinguish between positive and normative economics with an example.
8. State and explain the law of equi-marginal utility.
9. Define the nature and the study of microeconomics.
10. Define the production function.

PART-B

Answer any **FOUR** questions. Each question carries **SIX** marks.

(4 X 6=24)

1. Distinguish between movement of demand curve and shift of the demand curve with the help of diagrams.
2. Explain producer's equilibrium with the help of a diagram and state the necessary condition for the same.
3. What are indifference curves? State any 3 Properties of indifference curve using diagram.

4. Explain how a consumer can attain equilibrium under the ordinal approach with a diagram.
5. Explain the three stages of production using diagrams.
6. Explain the characteristic features of Perfect Competition.

PART-C

Answer any TWO questions. Each question carries TEN marks.

(2 X 10=20)

1. "The demand curve slopes downwards", explain the reasons. State the factors affecting price elasticity of demand.
2. Explain the various methods for calculating elasticity of demand. Give examples.
3. For the given data, calculate total fixed cost, total variable cost, average cost, marginal cost, average fixed cost and average variable cost plot the graph for each of the above.

Total Quantity	TC
0	100
1	125
2	140
3	150
4	160
5	180
6	210
7	250
8	400
9	600
10	1000

4. Product differentiation is a key feature of which competition? Explain the characteristic features. Use the revenue and the cost curves to substantiate the profit maximization under such competition.
