



SS – 584

19
I Semester B.B.M. Examination, Nov./Dec. 2018
(Repeaters) (Prior to 2012-13)
BUSINESS MANAGEMENT
Paper – 1.3 : Business Economics

Time : 3 Hours

Max. Marks : 100

Instruction : Answer should be written in **English** only.

SECTION – A

1. Answer **any ten** sub-questions. **Each** sub-question carries **two** marks. **(10×2=20)**
- Mention any two objectives of Business Economics.
 - What is optimisation of profit ?
 - Give the meaning of Marginal utility.
 - What is consumer surplus ?
 - Expand :
 - MNP
 - PI.
 - What is duopoly ?
 - What is penetrating pricing ?
 - Give the meaning of Average Cost.
 - Write the meaning of oligopoly.
 - What is price elasticity of demand ?
 - Define Trade cycle.
 - Write the meaning of demand forecasting.



SECTION – B

- Answer **any five** questions. **Each** question carries **five** marks. **(5×5=25)**
- What is law of demand ? Explain exceptions to law of demand.
 - State the difference between perfect and imperfect competition.
 - What is cost of production ? Explain any three types of cost.

P.T.O.



5. The total fixed cost of XYZ Company is Rs. 6,000. Prepare a cost schedule relating to T.C., TVC, AFC and AC by using the following data :

Units of output	1	2	3	4	5	6
Marginal Cost	200	100	150	300	300	400

6. Write a note on production function.
 7. Explain any five types of pricing.
 8. Explain the law of diminishing marginal utility.

SECTION – C

Answer **any three** questions. **Each** question carries **fifteen** marks. (3×15=45)

9. Define Monopoly. Explain the price determination under monopoly.
 10. Explain internal and external economies of scale.
 11. a) What are the various methods of demand forecasting ? Explain.
 b) Forecast the demand for 2015 and 2016 from the following data :

Year	2000	2011	2012	2013	2014
Sales in millions	1,200	1,400	1,450	1,700	2,000

12. What do you mean by price elasticity of demand ? Explain various methods of estimation of price elasticity of demand.
 13. From the following data given below, find the trend values for each of the year using the method of least squares and estimate the annual sales for the year 2015.

Year	2000	2011	2012	2013	2014
Sales (Rs. in lakhs)	900	1,200	1,600	900	1,100

SECTION – D

(1×10=10)

14. What is National Income ? What are the uses of national income estimates ?