



Seat No. : _____

DR-102

December-2025

BBA, Sem.-III

CC-204 : Managerial Economics-I

Time : 2:30 Hours]

[Max. Marks : 70

1. (A) Define Managerial Economics and discuss its scope. 7
(B) Bring out the difference between producers good's demand and consumers good's demand. 7

OR

1. (A) Discuss the direct methods of demand forecasting. 7
(B) What is demand forecasting ? Discuss trend projection method. 7
2. (A) Explain the meaning and characteristics of indifference curve with the help of diagrams. 7
(B) Write a note on consumer's equilibrium. 7

OR

2. (A) Write a note on Consumer's surplus. 7
(B) What is marginal rate of substitution ? Explain with illustration, the law of diminishing marginal rate of substitution. 7

3. (A) Explain the meaning and types of Income elasticity of demand. 7
(B) Explain the meaning and types of price elasticity of demand. 7

OR

3. (A) Write a note on Cross Elasticity of demand. 7
(B) Discuss the point method of measurement of price elasticity of demand. 7

4. (A) Explain the law of variable proportion with illustration and diagram. 7
(B) Explain with diagram the nature of the least cost combination in terms of iso-quant and iso-cost line. 7

OR

4. (A) Draw a long run Average Cost (AC) curve. Explain the features of long run AC curve. 7
(B) What is Marginal Cost ? Explain the relation between MC and AC. 7

5. Do as directed : (Any Seven) 14

- (1) Managerial economics is a bridge between theory and practice. (True / False)
(2) When demand for a product is independent, it is called as autonomous demand. (True / False)
(3) The prediction about future demand is known as demand forecasting. (True / False)
(4) Cross elasticity of demand for un-related goods is zero. (True / False)
(5) Income elasticity of demand is zero for Match-box. (True / False)
(6) Trend method of demand forecasting is not a direct method of demand forecasting. (True / False)
(7) In the long run, all cost are variable. (True / False)
(8) A higher indifference curve represent a higher level of utility. (True / False)
(9) Decision-making means choosing the best alternative. (True / False)
(10) Indifference curve is negatively sloped. (True / False)
(11) Production function means relation between factor amount and output. (True / False)
(12) Long run average cost curve is also known as planning curve. (True / False)
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