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**PRESIDENCY UNIVERSITY**

**Bengaluru**

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| **End - Term Examinations – MAY 2025** |
| **Date:** 22-05-2025 **Time:** 01:00 pm – 04:00 pm |

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| **School:** SOC | **Program:**B.COM | |
| **Course Code :**BSE2090 | **Course Name:** MANAGERIAL ECONOMICS | |
| **Semester**: II | **Max Marks**: 100 | **Weightage**:50% |

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| **CO - Levels** | **CO1** | **CO2** | **CO3** | **CO4** | **CO5** |
| **Marks** | **11** | **26** | **26** | **11** | **26** |

**Instructions:**

1. *Read all questions carefully and answer accordingly.*
2. *Do not write anything on the question paper other than roll number.*

**Part A**

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| **Answer ALL the Questions. Each question carries 2 marks. 10Q x 2M=20M** | | | | |
| **1.** | **What does the Production Possibility Frontier (PPF) represent?** | **2 Marks** | **L** | **CO1** |
| **2.** | **Define Price Elasticity of Demand (PED).** | **2 Marks** | **L** | **CO1** |
| **3.** | **What is a Production Function?** | **2 Marks** | **L** | **CO2** |
| **4.** | **Define Isoquant.** | **2 Marks** | **L** | **CO2** |
| **5.** | **State any two features of perfect competition.** | **2 Marks** | **L** | **CO3** |
| **6.** | **Define oligopoly.** | **2 Marks** | **L** | **CO3** |
| **7.** | What is MPS? | **2 Marks** | **L** | **CO4** |
| **8.** | **What is effective demand?** | **2 Marks** | **L** | **CO4** |
| **9.** | **What is fiscal policy?** | **2 Marks** | **L** | **CO5** |
| **10.** | **Define inflation.** | **2 Marks** | **L** | **CO5** |

**Part B**

**Answer ALL the Questions. Each question carries 7 Marks. Total Marks 35M**

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| 11. | a. | **Explain the determinants of price elasticity of demand.** | 07 Marks | L2 | CO1 |
| Or | | | | | |
| 12. | **a.** | The demand function for a computer spare part is given as Q=400-4P   1. Determine demand if price is Rs.10, 15 and 20 2. At what price demand would be zero? 3. What price producer would charge if he want to sell 380 units per week? | **07 Marks** | **L2** | **CO1** |

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| 13. | a. | State and explain the Law of Variable Proportions with stages. | 07 Marks | L2 | CO2 |
| Or | | | | | |
| 14. | **a.** | A firm has the following cost data: TFC = ₹500, TVC = ₹1,500 for producing 100 units. Calculate AVC, AFC, and ATC. | **07 Marks** | **L2** | **CO2** |

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| 15. | a. | **Explain characteristics of a monopoly.** | 07 Marks | L2 | CO3 |
| Or | | | | | |
| 16. | **a.** | **Compare perfect competition and monopolistic competition.** | **07 Marks** | **L2** | **CO3** |

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| 17. | a. | **What are the leakages and injections in the circular flow of income?** | 07 Marks | L2 | CO4 |
| Or | | | | | |
| 18. | **a.** | Explain Say’s Law of Markets. What are its assumptions and implications? | **07 Marks** | **L2** | **CO4** |

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| 19. | a. | **Describe any three methods of national income measurement.** | 07 Marks | L2 | CO5 |
| Or | | | | | |
| 20. | **a.** | **What are the main objectives of fiscal policy?** | **07 Marks** | **L2** | **CO5** |

**Part C**

**Answer any Three Questions. Each question carries 15 marks 3Q x 15M=45M**

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| 21. | a. | A company provides the following cost data for various output levels. Calculate and tabulate TFC, TVC, TC, AVC, AFC, ATC, and MC.  Output (units): 0, 1, 2, 3, 4 TVC: ₹0, ₹300, ₹500, ₹660, ₹800 TFC = ₹200 | 15 Marks | L3 | CO2 |

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| 22. | a. | **Compare all four types of market structures.** | 15 Marks | L3 | CO3 |

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| 23. | a. | Explain the Keynesian Theory of Income and Employment. | 15 Marks | L3 | CO4 |

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| 24. | a. | **Describe the different methods of measuring national income and their difficulties.** | 15 Marks | L3 | CO5 |