

Roll No



**PRESIDENCY UNIVERSITY  
BENGALURU**

**SET B**

**SCHOOL OF LAW  
END TERM EXAMINATION - JAN 2024**

**Semester** : Semester I - 2023**Course Code** : BBL3103**Course Name** : Managerial Economics**Program** : BBA LLB Honors**Date** : 12-JAN-2024**Time** : 1:00 PM - 4:00 PM**Max Marks** : 100**Weightage** : 50%**Instructions:**

- (i) Read all questions carefully and answer accordingly.  
(ii) Question paper consists of 1 part.  
(iii) Scientific and non-programmable calculator are permitted.  
(iv) Do not write any information on the question paper other than Roll Number.

**ANSWER ALL THE QUESTIONS****10 X 10M = 100M**

1. Fill all the cells using cost concepts.

Output	AFC	MC	AVC	AC
1	60	20		
2			19	
3	20		18	
4		18		
5	12			31

(CO4,CO2,CO1,CO3) [Comprehension]

2. Using expenditure method, Calculate the value of Net Domestic Product at Factor Cost.

Items	Amount (in crore)
Private final consumption expenditure	900
Profit	100
Government final consumption expenditure	400
Net indirect taxes	100
Gross domestic capital formation	250
Change in stock	50
Net factor income from abroad	40
Consumption of fixed capital	20
Net imports	30

(CO1,CO2,CO3,CO4) [Comprehension]

3. Illustrate the circular flow of income in four-sector model with the help of proper flowchart.

(CO5,CO1,CO4,CO2,CO3) [Comprehension]

4. Using suitable flowchart, explain circular flow of income in two-sector model.

(CO3,CO5,CO2,CO1,CO4) [Comprehension]

5. Explain the concept of consumption function and investment function. Derive the value of marginal propensity to consume (MPC) and marginal propensity to save (MPS).  
(CO5,CO3,CO2,CO4,CO1) [Comprehension]
6. Critically examine the classical theory of income and employment.  
(CO4,CO5,CO3,CO2,CO1) [Application]
7. Highlight the characteristics of monopolistic competition.  
(CO5,CO4,CO1,CO2,CO3) [Application]
8. State the assumptions of Monopoly.  
(CO1,CO4,CO3,CO5,CO2) [Application]
9. Derive the supply curve of the firm under perfect competition by using appropriate graph.  
(CO3,CO1,CO2,CO5,CO4) [Application]
10. Using labeled diagrams, explain the short-run equilibrium of the firm under perfect competition.  
(CO5,CO4,CO3,CO2,CO1) [Application]