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GIET UNIVERSITY, GUNUPUR - 765022
B.B.A (Second Semester Regular) Examinations, May - 2024
23BBAPC12001 - Business Economics

Time: 3 hrs

Maximum: 60 Marks

(The figures in the right-hand margin indicate marks.)

PART – A**(2 x 10 = 20 Marks)**Q.1. Answer **ALL** questions

	CO #	Blooms Level
a. Distinguish between micro vs macroeconomics.	CO1	K3
b. What is explicit and implicit cost?	CO4	K2
c. Define the relationship between AR and MR.	CO3	K2
d. What is managerial theory of firm?	CO1	K2
e. Define demand.	CO2	K2
f. Write down the difference between fixed and variable cost.	CO4	K2
g. What is contribution margin?	CO5	K2
h. What is Iso-cost?	CO4	K2
i. Differentiate monopoly and monopolistic.	CO5	K3
j. What is innovation theory?	CO1	K2

PART – B**(8 x 5 = 40 Marks)**Answer **ALL** the questions

	Marks	CO #	Blooms Level
2. a. Discuss how managerial economics integrates economic theory with business practice and write scope of managerial economics. (OR)	8	CO1	K2
b. Discuss the various types of elasticity of demand.	8	CO2	K2
3.a. What is law of supply? Explain the different types of elasticity of supply. (OR)	8	CO2	K2
b. Determine the fixed and variable components of the cost of indirect labour from the following information:	8	CO4	K4

Month	Direct man hours (Rs.)	Indirect labour
1	44	870
2	40	850
3	45	870
4	42	850
5	36	750
6	22	550
7	23	500
8	15	450
9	30	600
10	38	700
11	41	800
12	44	850

4.a. Define isoquants. Describe the types of isoquants. 8 CO3 K2
(OR)

b. Explain measurement of elasticity from the following information: 8 CO2 K4

Price	Quantity	Price	Quantity	Price	Quantity
10	2000	10	1800	10	2000
09	4000	09	2000	09	2100
08	6000	08	2250	08	2200

5.a. Discuss the production function with one variable inputs with its assumptions. 8 CO3 K2
(OR)

b. Discuss the cost output relationship in short and long run. 8 CO4 K2

6.a. Explain the price output determination under perfect condition. 8 CO4 K2
(OR)

b. Robin & sons sold its product with following descriptions: 8 CO5 K4

Selling price Rs. 150 per unit; variable cost Rs. 90 per unit; fixed cost Rs. 600000 (total).

(i) Calculate the breakeven point.

(ii) What is the selling price per unit when breakeven point is 12000 units?

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