



B. P. COLLEGE OF BUSINESS ADMINISTRATION

(A Constituent College of Kadi Sarva Vishwavidyalaya)

MID SEM Examination – September – September 2013

Date: 30/9/13

BBA SEM – III

Total marks: 60

Roll No.....

SUB: Economics for Managers (BBA14)

Duration: 3 hrs

Instructions:

1. All questions are **compulsory**.
2. Figures to the **right** indicate full marks.
3. Indicate **clearly** the options you attempt along with its respective Question Number.

- Q1. (a) Write a note on consumer goods and producer goods demand. (06)
(b) Distinguish between autonomous demand and derived demand with example. (06)
- Q2. (a) Give the right option (06)
(i) Which type of commodity is Milk?
a. durable b. non-durable c. perishable d. non perishable
(ii) Which of the following is true with regard to elasticity of demand?
a. It is a qualitative concept b. It is a quantitative concept c. It is both quantitative and qualitative d. None of the above
(iii) If the value of price elasticity of demand is 0.5, it falls in:
a. $E_p=1$ b. $E_p>1$ c. $E_p<1$ d. $E_p=0$
(iv) Elasticity of demand for basic necessities having consumption limitations is:
a. greater than one b. less than one c. equal to one d. zero
(v) When all the respondents of the population are surveyed, the method is known as _____ method.
a. sample survey method b. complete enumeration method c. trend method d. regression method.
(vi) Barometric method of demand forecasting is also known as _____ method.
a. free hand trend projection method b. moving average method c. survey method d. economic indicator method
- (b) Define elasticity of demand and explain price and income elasticity of demand in short. (06)
- OR**
- (b) What is elasticity of demand? Explain with numerical example showing its importance for a manager. (06)
- Q3. What is price elasticity of demand? Explain its various degrees with diagrams. (12)
- OR**
- Q3. Explain the various determinants of elasticity of demand. (12)
- Q4. (a) What do you mean by demand forecasting? State its objectives. (06)
(b) How is Economics for Managers related with decision-making? (06)
- OR**
- Q4. (a) Explain the concept cross elasticity of demand for substitutes and complementaries. (06)
(b) Discuss any two survey methods of demand forecasting. (06)
- Q5. Taking a hypothetical example show how demand / sale is forecast using free-hand trend projection method. (12)
- OR**
- Q5. Forecast demand/sale for your company with the help of regression method. (12)