School of Business
Bachelor of Business Administration
Mid Term Examination - May 2024

Duration : 90 Minutes
Max Marks : 50

Sem II - D1UA207T - Business Economics

General Instructions
Answer to the specific question asked
Draw neat, labelled diagrams wherever necessary
Approved data hand books are allowed subject to verification by the Invigilator

1) Due to 2% fall in price of good X total expenditure on good X rises by 3%. A 10 % rise in price of good Y leads to 20 % rise in total expenditure on good Y. Using total expenditure method, compare price elasticity of demand of good X and good Y. — K2 (6)

2) What is the law of demand? Explain with the help of demand schedule and demand curve. — K4 (8)

3) Lean manufacturing practices can help a furniture manufacturing company cut down on extra inventory, setup times, and workflow efficiency. This improves the company's competitive position by enabling faster delivery and more receptive customer service in addition to lowering production costs. What are the various other priciples of business economics which can be used by manufacturing organisations? — K3 (6)

4) Distinguish between a normal good and an inferior good. Give the example in each case. — K4 (4)

5) You're the operations manager of a construction company. How would you utilise the principle of time perspective to prioritize between short-term projects with immediate returns versus long-term projects with higher potential profits? — K3 (9)

6) Managerial economics is often said to help the business student integrate the knowledge gained in other courses. How is this integration accomplished? — K4 (12)

7) Imagine you were at a restaurant, you would feel drinking soda. You enjoyed the first glass of soda so much you want a second one. LIke this you keep on consuming soda till 4 glasses. Calculate Marginal Utility for every unit of soda consumed by using the given table: — K5 (5)