

00893

**B.Sc. FASHION MERCHANDIZING AND  
RETAIL MANAGEMENT (BSCFMRM)**

**Term-End Examination**

**December, 2012**

**BFW-003 : MANAGERIAL ECONOMICS**

*Time : 3 hours*

*Maximum Marks : 70*

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**Note :** *Attempt **any seven** questions and all questions **carry equal** marks.*

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1. Explain the following : 10
  - (a) When does a consumer buy a smaller quantity of the commodity at the same price ?
  - (b) When does a consumer buy more commodities at a higher price ?
  
2. What is deflation ? How to control the situation of deflation in an Economy ? 10
  
3. Define fixed cost. How it is different from the variable cost ? Also draw the graph of fixed, variable and total cost with examples. 10

4. Compute AFC, AVC, AC, MC from the following data. 10

Output	1	2	3	4	5	6
TC	100	120	160	250	380	500

5. Distinguish between the following (with graph) 10
- (a) Normal Goods and inferior goods.
  - (b) Complementary goods and Substitute goods.
6. What is Monopoly Market ? How it is different from Monopolistic Market ? How to determine the price under Monopoly Market in short run ? 10
7. Explain the following : 10
- (a) Explicit cost and Implicit cost.
  - (b) Private cost and Social cost.
  - (c) Control of prices and subsidies.
  - (d) Export pricing.
8. What is Aggregate demand ? Explain the components of Aggregate demand. 10
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