



SB-1365

First Year B.B.A. (Sem. II) Examination
March/April – 2011
Managerial Economics
(Old Course)

Time : 3 Hours]

[Total Marks : 70

Instructions :

(1)

नीचे दशांशविक निशानीवाणी विगतो उत्तरवडी पर अवश्य लखवी.
Fillup strictly the details of signs on your answer book.

Name of the Examination :
F. Y. B.B.A. (Sem. - 2)

Name of the Subject :
Managerial Economics (Old)

Subject Code No. : 1 3 6 5 Section No. (1, 2,.....): NIL

Seat No. :

Student's Signature

- (2) All questions are compulsory.
(3) Figures to the right indicate full marks of each question.

- 1 Answer the following questions briefly : **10**
- (i) Define managerial economics.
(ii) Differentiate between iso-quants and iso-cost lines.
(iii) What is cross elasticity of demand ?
(iv) Differentiate between risk and uncertainty.
(v) What is meant by decision making and forward planning ?

- 2 Explain the various functions of managerial economist. How can he best serve the management ? **12**

OR

- 2 Discuss in detail the nature and scope of managerial economics. **12**

- 3 What is price elasticity of demand ? Discuss in detail various methods of measuring price elasticity of demand. **12**

OR

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[Contd...

- 3 (a) Discuss the properties of ISO-quants. 6
(b) Why should the firm experience diminishing marginal returns to scale? 6
- 4 What is oligopoly? Explain price rigidity under oligopoly in terms of kinky demand curve. 12
- OR**
- 4 What is economic profit? Critically examine Knight's theory of profit. 12
- 5 (a) What is capital budgeting? Explain its need and nature. 6
(b) What do you mean by case method? Explain the usefulness of case study method. 6
- OR**
- 5 Explain the concepts of "Net present value criterion" and "Internal Rate of Return Criterion". In case of conflicting results, which criterion should be preferred? Discuss. 12
- 6 Write short notes : (any two) 12
(i) Selling costs
(ii) Price Discrimination
(iii) Cost Benefit Analysis
(iv) Income elasticity of demand and its types.
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