



RE-5425

Seat No. _____

Second Year B. B. A. Examination

March / April – 2011

Managerial Economics

(New Course)

Time : 3 Hours]

[Total Marks : 100

Instruction : All questions are **compulsory** and carry **equal** marks.

- 1 (a) "Managerial Economics is the discipline which deals with the application of economic theory to business management." Discuss also point out how does managerial economics differ from economics ? **20**

OR

- (a) Narrate the meaning of managerial economics. Discuss its scope.
- (b) Examine concepts of Accounting and Economic costs.
- 2 (a) What is production function ? Discuss ISO-Quant curve.
- (b) Discuss Kinked Demand Curve.

OR

- 2 (a) Examine relationship between AR and MR under monopoly.
- (b) Explain the meaning and objectives of demand forecasting.
- 3 (a) Discuss consumers survey method of demand forecasting.
- (b) Discuss Internal economies of scale.

OR

- 3 (a) Examine relationship between cost and output in short-run.
- (b) Explain the objectives of pricing policy.

- 4 (a) Discuss in detail cost-plus pricing.
(b) Define capital budgeting. Discuss Net present value method of capital budgeting.

OR

- 4 (a) Explain various uses of Break-even analysis.
(b) What is price differentiation ? Discuss geographical price differentiation.

5 Short notes : (any **four**)

- (1) Company demand and Industry demand
- (2) Durable goods demand and non-durable goods demand
- (3) Pay-back method
- (4) Skimming and penetration pricing
- (5) Assumptions of Break-even analysis
- (6) Quantitative discount.
