



NATIONAL OPEN UNIVERSITY OF NIGERIA
14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS
SCHOOL OF MANAGEMENT SCIENCES
OCTOBER 2013 EXAMINATION

COURSE CODE: BHM 743

CREDIT UNIT: 2

COURSE TITLE: MANAGERIAL ECONOMICS

TIME ALLOWED: 2 HOURS

Instructions: 1. Attempt question number one (1) and any other (2) questions.

2. Question number 1 carries 30 marks, while the other questions carry 20 marks each.

3. Present all your points in coherent and orderly manner.

1. (a) Explain the following in detail:
 - i. Theory of Demand and;
 - ii. Theory of Production(b) Briefly discuss the Life Cycle of a product
(c) Mention six items normally considered in Capital Budgeting
(30 Marks)
2. Enumerate and elucidate the characteristics of a perfect competition. **(20 Marks)**
3. Enumerate and discuss the types of demand, giving relevant examples. **(20 Marks)**
4. With the aid of a diagram, explain a shift in the Demand Curve. **(20 Marks)**
5. (a) Define Managerial Economics
(b) State the law of Diminishing Marginal Utility
(c) Identify six assumptions of the Ordinalist Approach
(20 Marks)