

BBA/D-16
Managerial Economics
PAPER-BBA-103

Time Allowed: 3 Hours

Maximum Marks: 80

Note: Attempt five questions in all. Question No. 1 is compulsory. All questions carry equal marks.

Compulsory Question

1. Write notes on the following :
 - (a) Incremental principle.
 - (b) Degrees of cross elasticity of demand.
 - (c) Differentiate between explicit and implicit cost.
 - (d) Applications of IC.
 - (e) Non-price competition.
 - (f) Law of diminishing returns.
2. Explain the role of marginal and incremental analysis in managerial decision-making
3. What is law of demand? Why demand curve slopes downwards? What are the exceptions of law of demand?
4. What are the properties of indifference curve? Explain consumer's equilibrium with the help of IC.
5. Differentiate between returns to factor and returns to scale. Explain the increasing, decreasing and constant RTF and RTS with the help of IC.
6. What is cost? Discuss the various types of costs. Explain TC, AC and MC with the help of table and diagram.
7. What are the causes of monopoly? Explain the price and output determination in monopoly situation of the market structure.
8. What are the characteristics of perfect competition? Discuss the price and output determination in perfect competition in short-run as well as long-run.