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Total No. of Pages : 02

Total No. of Questions : 09

BBA / BBA (SIM) (Sem-<sup>1</sup>)**MANAGERIAL ECONOMICS-I**

Subject Code : BBAGE-101-18 M.Code : 75084

Date of Examination : 20-06-2023

Time : 3 Hrs.

Max. Marks : 60

**INSTRUCTIONS TO CANDIDATES :**

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B consists of FOUR Sub-sections : Units-I, II, III & IV.
3. Each Sub-section contains TWO questions each, carrying TEN marks each.
4. Student has to attempt any ONE question from each Sub-section.

**SECTION-A**

1. Write briefly :

- a) Define Managerial Economics.
- b) What is opportunity cost?
- c) Define Cross Elasticity of Demand.
- d) What are the assumptions of indifference curve analysis?
- e) Differentiate between fixed costs and variable costs.
- f) What do you mean by 'least cost combination of inputs'?
- g) Why long run average cost curve is called as planning curve?
- h) What is the relationship between Average Revenue (AR) and Marginal Revenue (MR) in perfect competition?

- i) Distinguish between real and nominal rate of interest.
- j) What is the nature of Managerial Economics?

## SECTION-B

### UNIT-I

- 2. Describe how does managerial economics help in decision making?
- 3. Discuss what is the use and importance of the concept of price elasticity of demand?

### UNIT-II

- 4. What is production function? Discuss the law of variable proportions.
- 5. What is least cost combination of inputs? What are the limitations of the principle of least cost combination?

### UNIT-III

- 6. Describe price elasticity of demand and revenue relationship. Do higher prices lead to increased revenue for a company?
- 7. Explain how price and output are determined under monopoly market?

### UNIT-IV

- 8. What is product line pricing method? What are the problems in it?
- 9. Discuss how interest rate is determined by demand and supply of capital?

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.

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