SB-1361

First Year B.B.A. (Sem. - II) Examination
March/April – 2011
Managerial Economics And Business Organisation
(New Course)

Time : **3** Hours] [Total Marks : **100**

Instructions :

(1)

(2) Question No. 1 is compulsory.

(3) Figures to the right indicate full marks for the question.

(3) Clearly indicate the options you attempt.

1 Briefly answer the following questions : **10**

   (i) Define managerial economics.

   (ii) Differentiate between a joint stock company and a joint venture.

   (iii) What is "Marginal Rate of Technical Substitution" ?

   (iv) What is capital budgeting ?

   (v) Mention the motives of dumping.

2 Discuss the role and responsibilities of a managerial economist. **12**

<div align="center">OR</div>

2 (a) What is iso-quant ? Explain its properties. **6**

   (b) Explain Cobb-Douglas production function. **6**

3 What is sole partnership ? Discuss its main features. Under what circumstances this form of business organization can work successfully ? **12**

<div align="center">OR</div>

SB-1361] 1 [Contd...

3   (a)   What is public enterprise ? Bring out the main benefits of   **6**
public enterprise.

        (b)   What is Multinational Company (MNC) ? Discuss its
demerits in a developing economy.   **6**

4   Explain the meaning of monopoly and discuss the features.   **12**
Explain the equilibrium of a firm under monopoly.

<div align="center">**OR**</div>

4   What is break even point ? How the break-even point is   **12**
determined for a mono-product firm ? Explain with suitable
illustration and diagram.

5   (a)   Pay-back method   **6**

        (b)   Case method

<div align="center">**OR**</div>

5   Which method would you prefer to appraise the profitability   **12**
of an investment proposal ? Give reasons for your answer.

6   Write short notes : (any **two**)   **12**

        (i)   Ridge lines

        (ii)   Capital rationing

        (iii)   Difference between public company and private company

        (iv)   Law of variable proportions.

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