

Exam. Code : 105401

Subject Code : 1388

Bachelor in Business Administration (BBA) Ist Sem.

BBA-105 MANAGERIAL ECONOMICS-I

Time Allowed—3 Hours]

[Maximum Marks—50

Note :— Attempt **Five** questions selecting at least **one** question each from Sections A, B, C and D. All questions carry equal marks. The **fifth** question may be attempted from any section.

SECTION—A

- I. What is Price Elasticity of Demand ? How it is measured by different methods ?
- II. State and explain Law of Equi-marginal Utility. Also discuss its exceptions.

SECTION—B

- III. What is an Indifference Curve ? Prove that Price Effect is a Combination of Income effect and Substitution Effect. Also explain the Consumer's Equilibrium with the help of Indifference Approach.
- IV. Critically explain strong and weak order conditions of Revealed Preference Approach.

SECTION—C

- V. State and explain Law of Variable Proportions. Also write which state is rational ?

- VI. Discuss the relationship between average revenue, marginal revenue and also discuss how elasticity of demand is determined from its mutual relationship.

SECTION—D

- VII. How equilibrium of firm is determined under perfect competition in the short run period and long run period ? Explain.
- VIII. How price and output are determined under monopolistic competition in the short run period and long run period ? Explain.