

NAIPUNNYA BUSINESS SCHOOL (NBS)
FIRST SEMESTER MBA I INTERNAL EXAMINATION OCTOBER 2024
MANAGERIAL ECONOMICS(BUS1C06)

Time:1 hour 30 min

Maximum:30 marks

Part A

Answer all questions.
Each question carries 2 marks

1. Define the concept of opportunity cost. L2; CO2
2. What is the difference between individual and market demand? L2; CO2

Part B

Answer any two questions.
Each question carries 4 marks

3. Discuss the nature and scope of managerial economics L2; CO2
4. Explain the concept of cost-benefit analysis in detail. L2; CO2
5. What is meant by the elasticity of demand? How is the elasticity of demand measured? L2; CO2
6. Define market demand. How is the analysis of market demand for a product important for the manager of the firm producing the product? L2; CO2

Part C

Answer any one question
Each question carries 8 marks

7. What are the major areas of business decision making? How does economic theory contribute to managerial decisions? L3; CO2
8. Define the concept of 'incremental' with reference to incremental revenue and incremental cost. How are the incremental revenue and incremental cost different from the concept of marginal revenue and marginal cost? L3; CO2

Part D

Compulsory question
10 Marks

9. Sam will retire in 20 years. He would like to have an amount of Rs. 15 lakhs to be available after 20 years. How much does he have to deposit into a pension plan earning 7% annually? L4; CO2
