BL-102

B.B.A.LL.B. (Integrated) (5 Year) Ist Semester Examination, 2026

MOST IMPORTANT QUESTIONS 2026 – UNSOLVED MODEL PAPER

MANAGERIAL ECONOMICS

Paper : II

Time : 3 Hours **[M.M. : 75**

Note : Answer any **five** questions. All questions carry equal marks.

1. Define Managerial Economics. Discuss its nature and scope. How does it help a manager in decision-making? **[15]**

2. Explain the opportunity cost principle, incremental principle and equi-marginal principle. Illustrate their use in business decisions. **[15]**

3. Is profit maximisation the sole objective of a business firm? Critically examine the alternative objectives of business firms. Distinguish between accounting profit and economic profit. **[15]**

4. What is price elasticity of demand? Explain the methods of its measurement and the factors determining it. Also explain income and cross elasticity of demand. **[15]**

5. Explain the law of variable proportions with the help of a diagram. How does it differ from the laws of returns to scale? Discuss the internal and external economies of scale. **[15]**

6. Explain the various concepts of cost. Why is the long-run average cost curve called an 'envelope curve'? What is a learning curve? **[15]**

7. How are price and output determined under monopoly in the short run and long run? What is price discrimination and when is it possible and profitable? **[15]**

8. What is oligopoly? Explain the kinked demand curve model. How does the prisoner's dilemma explain cartel cheating? **[15]**

9. Define national income and explain its various concepts (GDP, GNP, NNP, Personal Income). Discuss the methods of measuring national income and the difficulties involved. **[15]**

10. Write short notes on any two: (a) Demand-pull and cost-push inflation (b) Instruments of monetary policy (c) Fiscal policy (d) Innovation theory of profit **[7½×2=15]**

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