RB-3515
B. B. A. (Sem. II) Examination
March / April - 2017
Managerial Economics - II
(With Business Organization)

Time : Hours] [Total Marks :
Instructions :
(1)

(2) Figures to the right indicate full marks of each question.
(3) Draw the diagram wherever necessary.

1 Answer in brief : 10

(1) How does a long-run production function differ from a short-run production function ?

(2) Why are multinational companies described as global companies ?

(3) What is pay-back period method ?

(4) Define : Benefit-cost ratio.

(5) State any two benefits of public enterprises.

2 Explain the benefits of using the net present value (NPV) method to analyze capital expenditure decisions and be able to calculate the NPV for a capital budget. 13

OR

2 What is the meaning of joint-stock company ? Explain the advantages and disadvantages of joint stock company. 13

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[Contd...
3   Explain the law of variable proportions with the help of total product, average product and marginal product curves. Give reasons behind each stage of production. Mention the significance of this law in business.

   OR

3   (a) Explain the producer's equilibrium with the help of ISO-quants and ISO-cost lines.

   (b) Why is capital budgeting analysis so important to the firm?

4   Write short notes: (any two)

   (1) Sole proprietorship V/s partnership
   (2) Laws of returns to scale
   (3) Case study method: Advantages and disadvantages
   (4) Return on Investment (ROI)