

MANAGERIAL ECONOMICS **(Old & New Course) : Dec. 2011-12**

Old Course

Maximum Marks : 70

Minimum Pass Marks : 25

New Course

Maximum Marks : 90

Minimum Pass Marks : 32

Note : Attempt any five questions. All questions carry equal marks.

UNIT - 1

1. Discuss the concept of "Incremental Reasoning" and "Opportunity Cost".

OR

Why Economic theories are applied in decision-making ?
Describe briefly the objectives of Managerial Economics.

UNIT - 2

2. Discuss all the phases of "Business Cycles".

OR

Explain any one method of measurement of National Income.

UNIT - 3

3. Discuss the objectives of a business firm-economic and non-economic. <http://prsuonline.com>

OR

Define the terms accounting profit and economic profit.
Write briefly aims of a profit policy.

UNIT - 4

4. Discuss the Internal Rate of Return and 'Payback method of Capital Budgeting'.

OR

Write a note on Investment Decisions under Risk and Uncertainty.

UNIT - 5

5. Write short notes on the following :
(i) Cost of Retained Earnings
(ii) Weighted Cost of Capital

OR

Write an essay on "Cost of Capital".