

1127

M.Com. (M.E.F.B.) First Semester
FB-101: Economics for Entrepreneurs

Time allowed: 3 Hours

Max. Marks: 80

NOTE: Attempt five questions in all, selecting atleast two questions from each Unit.

x-x-x

UNIT – I

- I. Discuss the scope of managerial economics. Explain the relationships and difference of managerial economics with other disciplines. (16)
- II. What is elasticity of demand? Why does it vary with different commodities? Explain the various methods of measuring price elasticity. (16)
- III. Distinguish between demand estimation and demand forecasting? What are various methods of demand estimation? (16)
- IV. With the help of table and diagrams explain the mutual relationship between Average Cost, Marginal Cost and Total Cost. Do they differ in short run and long run? (16)
- V. What is production function? Distinguish between fixed inputs and variable inputs. Is the distinction between the two relevant in the long run? (16)

UNIT – II

- VI. What are the main forms of a market? Discuss the main features of a perfectly competitive market. (16)
- VII. What do you mean by pricing strategy? What are the objectives of pricing strategy? Why can't a single average price be fixed for all products? (16)
- VIII. Critically examine the important objectives of the firm. Is profit maximization an appropriate goal for owners of a firm? (16)
- IX. Write notes on:-
 - a) The behavioral theory of the firm
 - b) The economics of risk and uncertainty(16)
- X. What is capital budgeting? What are the steps involved in Capital Budgeting? Discuss its importance and limitation. (16)

x-x-x