



**NAY-010-001404** Seat No. \_\_\_\_\_

**B. B. A. (Sem. IV) (CBCS) Examination**

**March / April - 2017**

**Paper - 404 : Managerial Economics - II**

**(New Course)**

**Faculty Code : 010**

**Subject Code : 001404**

Time :  $2\frac{1}{2}$  Hours]

[Total Marks : 70

**Instructions :** (1) Attempt all questions on the basis of internal options.

(2) All questions carry equal marks.

1 What is market ? Explain classification of market on the basis of geographical coverage and elements of competition. 14

**OR**

1 (a) Explain price and non price competition. 7

(b) Explain concept of fair and unfair competition. 7

2 Explain cost plus pricing, point out its advantages and disadvantages 14

**OR**

2 What is skimming price policy ? Discuss the conditions for success of skimming price policy. 14

3 What is price discrimination ? Explain conditions for the possibility and profitability of price discrimination. 14

**OR**

3 Write note on quantitative discounts and postage stamp pricing. 14

4 What is Break even analysis ? Explain BEP with the help of chart 14

**OR**

4 Explain managerial usefulness and limitations of break even analysis. 14

5 What is capital budgeting ? Explain Pay-back period method as a criteria for project appraisal. 14

**OR**

5 Explain nature of capital budgeting problem and illustrate (ARR) average rate of return method. 14

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