

**MASTER OF BUSINESS
ADMINISTRATION (RETAIL)
(MBARS)**

Term-End Examination

June, 2011

MRS-005 : MANAGERIAL ECONOMICS

Time : 3 hours

Maximum Marks : 100

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

1. 'Economics is defined as the study of allocation of scarce resources among unlimited ends'. Critically comment on the statement. 20

2. Distinguish between : 2x10=20
 - (a) Explicit and Implicit cost
 - (b) Average and Marginal cost support your answer with the help of examples.

3. What is meant by 'economies of scale' ? Explain giving examples. 20

4. (a) What do you understand by Monopolistic competition ? 10
(b) Explain how is the price determined under monopolistic competition. 10

5. What is the role of Banks for a nations economy ? Explain with the help of examples. 20
 6. What is 'Balance of Payments' ? Discuss giving an illustration. 20
 7. Define 'National Income'. What are the various ways of measuring a national income ? Explain any two ways with the help of illustrations. 20
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