



**I Semester M.B.A. (Day) Examination, January 2010**

**(2007-2008 Scheme)**

**MANAGEMENT**

**Paper – 1.4 : Managerial Economics**

Time: 3 Hours

Max. Marks: 75

**SECTION – A**

1. Answer **any six** : **(2×6=12)**

- a) What is equi-Marginalism ?
- b) What is production function ?
- c) What is Cartel ?
- d) Define price discrimination.
- e) What is economic profit ?
- f) What is production possibility curve ?
- g) What is central problem of economy ?
- h) What is demand function ?

**SECTION – B**

Answer **any three** of the following : **(3×8=24)**

- 2. How producer reaches the position of equilibrium ?
- 3. What do you mean by elasticity of demand ? What are the factors influencing elasticity of demand ?
- 4. Why AC curve is u shaped curve ?
- 5. Briefly explain the behavioural model of Cyert and March.
- 6. Discuss the law of return to scale with the help of suitable example.



SECTION - C

Answer any two of the following :

(2×12=24)

- 7. What is oligopoly ? Explain price rigidity under oligopoly in terms of kinked demand curve.
- 8. What is demand forecasting ? Mention various methods of demand forecasting.
- 9. Write short notes (any two) :
  - a) Economics of scale
  - b) Welfare triangle
  - c) Pricing strategies for a life cycle of a product.

SECTION - D

10. With the help of the following data project the trend sales for next five years :

(1×15=15)

Year (x)	Sales (y)
78	60
79	70
80	75
81	85
82	95
83	100