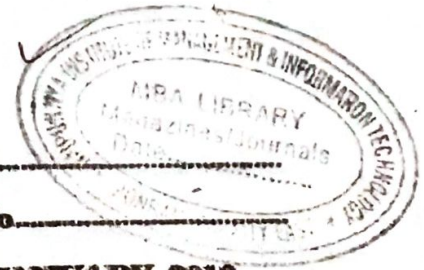


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Name.....

Reg. No.....



**FIRST SEMESTER M.B.A. DEGREE EXAMINATION, JANUARY 2012**

**Paper 1.4—MANAGERIAL ECONOMICS**

(2010 admissions)

Time : Three Hours

Maximum Weightage : 36

**Part A**

*Answer all the questions.  
Each question carries 1 weightage.*

1. Define demand.
2. What is income effect ?
3. Define production function.
4. What is cost control ?
5. What is economies of scale ?
6. Distinguish between Income and substitution effect.

(6 × 1 = 6 weightage)

**Part B**

*Answer any six of the following questions.  
Each question carries 3 weightage.*

7. What is the significance of income elasticity in business ?
8. What are the different techniques of price discrimination ?
9. What are the determinants of price elasticity of demand ?
10. What are the managerial uses of production function ?
11. How is elasticity of demand useful in determining the price ?
12. Mention the various forms of market structures.
13. Differentiate between perfect competition and monopoly.
14. What is monopoly ? What are the sources of monopoly ?

(6 × 3 = 18 weightage)

**Part C**

*Answer any two of the following questions including question 17, which is compulsory.  
Each question carries 6 weightage.*

15. Explain the concept of elasticity of demand. What is its significance in business ?
16. "Study of Managerial Economics plays an important role in decision-making process". In the light of this statement discuss the nature and scope of managerial economics.

Turn over

17. The following table gives the information regarding the units produced, total revenue and total cost of production of a factory. Complete the table.

Units of output	Total Revenue (Rs.)	Total cost (Rs.)	Total profit	Marginal cost	Marginal revenue	Marginal profit
250	1,000	752				
251	1,004	753				
252	1,008	755				
253	1,012	758				
254	1,016	762				
255	1,020	767				
256	1,024	773				
257	1,028	780				

(2 × 6 = 12 weights)