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Name.....

Reg. No.....

FIRST SEMESTER M.B.A. DEGREE EXAMINATION, DECEMBER 2015

Business Administration

BUS 1C 07 – MANAGERIAL ECONOMICS

(2013 Admissions)

Time : Three Hours

Maximum : 36 Weightage

Part A

Answer all questions.

Each question carries 1 weightage.

1. Explain the concept of elasticity of demand.
2. Explain monopolistic competition.
3. State Keynes theory and his contribution to economics.
4. Define and explain national income.
5. Define and explain business cycle.
6. What are isoquants and isocost lines?

(6 × 1 = 6 weightage)

Part B

Answer any six questions.

Each question carries 3 weightage.

7. Discuss the nature and scope of managerial economics.
8. What is the importance of demand analysis for decision-making?
9. Explain the properties of long and short run production functions.
10. Explain the factors influencing elasticity of demand.
11. Critically examine under consumption theory of business cycle.
12. Define production function. Explain in brief the uses of production function in managerial decision-making.
13. What is price discrimination? Show how is price determined under monopolistic competition.
14. Explain the various techniques of achieving least cost combination of inputs.

(6 × 3 = 18 weightage)

Turn over

Part C

Answer any two questions.

Each question carries 6 weightage.

15. Explain the purpose of long term and short term forecasting of demand and the factors taken into consideration while forecasting.
16. Explain with help of figures the relationship between fixed cost, variable cost and marginal cost.
17. Below is the demand schedule for a product :

<i>Price (Rs. / unit)</i>	<i>Demand (units / week)</i>
100	400
90	500
80	600
70	700
60	800
50	900
40	1000
30	1100

Calculate the price elasticity of demand and comment on your results when

- (a) The price is reduced from Rs. 70 to Rs. 60 per unit.
- (b) The price is reduced from Rs. 40 to Rs. 30 per unit.

(2 × 6 = 12 weightage)