



(SF)

MBA 02

I Semester M.B.A. Examination, August 2011
MANAGERIAL ECONOMICS

Time : 3 Hours

Max. Marks : 75

- Instructions :** 1) Question paper is divided into **three** groups.
2) **Each** group is of **25** marks.
3) Figure to the **right** in bracket indicates mark.
4) Assume **suitable** data if **necessary**.

GROUP – A

Answer **any three** questions. (Question No. **1** is **Compulsory**)

1. Define Managerial Economics and explain how it is related to economics mathematics and statistics. (5)
2. Explain the concept of demand. Also explain the law of demand with reference to demand schedule, demand curve and features of law of demand. (10)
3. Explain the concept of price elasticity of demand ? Also explain the types of price elasticity. (10)
4. Explain the meaning, significance, purpose of forecasting and also give the criteria of a Good Forecasting method. (10)
5. Explain the following : (10)
 - a) Prices of related goods and demand
 - b) Consumer tastes and preferences and demand
 - c) Consumer expectations and demand
 - d) Consumer income and demand.

GROUP – B

Answer **any three** questions. (Question No. **6** is **Compulsory**)

6. Explain different forms of market structure. (5)
7. Give the characteristics of monopoly firm and explain monopoly equilibrium in the long run. (10)

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8. Explain different degrees of price discrimination. (10)
9. Explain the Chamberlins model of Duopoly. (10)
10. Explain Knitted Demand Model Curve. (10)

GROUP – C

All questions are **Compulsory**.

11. Fill in the blanks (**Each** question carries **2** marks)

- i) Economics for most purpose can be classified into two broad categories _____ and _____
- ii) Goods used for final consumption are called as _____
- iii) Charging different prices for the same product from consumer to different market segment is called as _____
- iv) Determining the product design when the selling price is predetermined is called as _____
- v) Decrease in the value of the asset due to use during a particular period say a year is said to be _____

12. Multiple choice question. (**Each** question carries **2** marks)

- i) Managerial economics is an application of economic theory and methodology to _____
 - a) Decision making
 - b) Buying
 - c) Selling
 - d) None of these
- ii) Change in income will have no effect on the quantities demanded is type of _____
 - a) Positive income elasticity
 - b) Negative income elasticity
 - c) Zero income elasticity
 - d) None of these
- iii) Following is one of the demand forecasting methods.
 - a) Gaussian method
 - b) Simpson's method
 - c) Delphi method
 - d) Hertz method



- iv) From below mentioned which is method of stock valuation.
- | | |
|---------------|---------------|
| a) Naive | b) LIFO |
| c) Collective | d) Regression |
- v) A special case of oligopoly in which there are exactly two sellers in the market.
- | | |
|-----------------------------|-------------|
| a) Perfect competition | b) Monopoly |
| c) Monopolistic competition | d) Duopoly |

13. True or false (Each question carries 1 mark)

- i) Managerial economics also has relationship with the disciplines.
 - ii) Goods which can be consumed only once are said to be durable goods.
 - iii) Forecasting is a prediction or estimation of present situation.
 - iv) The cost incurred in order to alter the position or shape of demand curve for product is called as selling cost.
 - v) Profit is measuring rod of a business performance.
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