

(Following Paper ID and Roll No. to be filled in your Answer Book)

PAPER ID : 7102 Roll No. 

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**M. B. A.**

**(Semester-I) Theory Examination, 2012-13**

**MANAGERIAL ECONOMICS**

*Time : 3 Hours]*

*[Total Marks : 100*

*Note : Attempt questions from all Sections as per instructions.*

**Section-A**

Attempt *all* parts of this question. Each part carries 2 marks. 2×10=20

1. (a) Explain Managerial Economics.
- (b) What is Price Rigidity?
- (c) Define Cross Elasticity of Demand.
- (d) Define Income Elasticity of Demand.
- (e) What is Profit?
- (f) Define Production.

- (g) Define Monopoly.
- (h) What is business life cycle?
- (i) What is strategic pricing?
- (j) What is Gross Domestic Product?

### Section-B

Attempt any *three* parts of this question. Each part carries 10 marks.  $10 \times 3 = 30$

2. (a) Explain the role of Managerial Economics in business decision-making.
- (b) Explain the characteristics of monopoly market. Also elaborate on the phenomenon of price discrimination in monopoly market.
- (c) Discuss the role of Managerial Economics in business decisions.
- (d) What is Business Cycle? Discuss its phases.
- (e) Explain Production. Discuss law of variable proportion in production.

**Section-C**

Attempt *all* questions of this Section. Each question carries 10 marks.  $10 \times 5 = 50$

3. What is elasticity of demand ? What are its managerial uses ?

**Or**

Explain the methods used for demand forecasting.

4. What do you mean by Cost ? Explain long-run cost curves.

**Or**

What is the significance of supply analysis in management ?

5. Explain Perfectly Competitive Market. How are prices determined in this market ?

**Or**

Explain Oligopoly Market. How is price rigidity explained in oligopoly market ?

6. Explain the concept of Inflation. Elaborate on the reasons leading to high inflation. Also explain how high inflation can be contained.

**Or**

How is profit explained in Economics ? Explain two major theories explaining profit.

7. Write short notes on any two of the following :

- (i) Relationship of Managerial Economics with other disciplines
- (ii) Equimarginal Principle
- (iii) Principle of Time Perspective.