

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

PAPER ID : 1169

Roll No.

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**MBA**

(SEM. I) ODD SEMESTER THEORY EXAMINATION 2013-14

**MANAGERIAL ECONOMICS**

Time : 3 Hours

Total Marks : 70

**Note** :— Attempt questions from each section as per instructions.

**SECTION—A**

Attempt all parts of this question in 50-75 words. Each part carries 2 marks. (2×7=14)

1. (a) Explain opportunity cost ?
- (b) What is demand ?
- (c) Explain the concept of elasticity.
- (d) Explain the concept of cost.
- (e) What is collective opinion ?
- (f) What is profit ?
- (g) Define national income.

**SECTION—B**

Attempt any **THREE** question parts in 100-200 words. Each part carries 7 marks :— (7×3=21)

2. (a) What is managerial economics ? Discuss its basic characteristics ?

- (b) Define demand curve. Discuss the assumptions behind demand curve plotting.
- (c) Discuss the determinants of elasticity of demand.
- (d) Explain the cost output relationship in short-run.
- (e) Write a detailed note on cost-volume-profit analysis as a technique of profit planning.

### SECTION—C

Attempt all questions in **300-500** words. Each question carries **7** marks. (7×5=35)

3. What do you understand by managerial economics ? Discuss its relationship with decision making.

**OR**

What do you mean by decision making ? Discuss how the decisions are taken under the conditions of uncertainty.

4. Define elasticity of demand. Discuss the various types of price elasticity of demand.

**OR**

Explain the two methods of measuring elasticity of demand ?

5. Distinguish between costs in the short-run and costs in the long-run. What is the importance of this distinction ?

**OR**

What do you understand by Isoquants ? Also discuss the types of Isoquants.

6. Why a firm under perfect competition is price taker and not the price maker ?

**OR**

Explain the marginal productivity theory of factor pricing ?

7. Explain the uses to which break-even analysis has been put in managerial decision making.

**OR**

Write short notes on :

- (a) Kinked demand curve
- (b) Isocost-curve.