Seat No.

M.B.A. (Part - I) (Semester - I) (CBCS) Examination, April - 2018
MANAGERIAL ECONOMICS (Paper - IV)
Sub. Code : 68305

Day and Date : Thursday, 26 - 04 - 2018   Total Marks : 80
Time : 11.00 a.m. to 2.00 p.m.

Instructions :   1)   Q. No. 1 and Q. No. 2 are compulsory.
                  2)   Attempt any two questions from remaining.
                  3)   Figures to the right indicate full marks.
                  4)   Draw neat diagrams wherever necessary.

Q1) a) Business firms work to achieve profit. In this process they have to take different decision on proper time. Do you feel that managerial economics is the discipline which deals with the application of 'economic theory to business management' and supports to reach business objectives? How? **[10]**

b) 'The spectrum of managerial economics is very wide from operational issues to environmental issues'. Elaborate how managerial economics could provide solution for issues related to production and pricing. **[10]**

Q2) a) Derive demand schedule and price elasticity from the demand function : $Q = 100 - 5P$ when prices are 0, 5, 10, 15 and 20. **[10]**

b) Complete following table and draw average cost and marginal cost curves. Assume fixed cost as Rs. 10. **[10]**

Quantity (Units)	Variable Cost (Rs.)	Total Cost (Rs.)
1	05	--
2	--	20
3	--	25
4	20	--
5	--	35

Q3) a) Discuss features and pricing policy in oligopoly market structure **[10]**

b) Elaborate different types of pricing practices with example **[10]**

Q4) a) 'Demand of goods and services is influenced by different determinants'. Justify. **[10]**

b) What is profit management? Describe Schumpeter's theory of profit. **[10]**

Q5) Write short notes. (Any Four) **[20]**
  a) Business Cycle
  b) Law of Demand
  c) Production Function
  d) Monopolistic Competition
  e) Demand Elasticity
  f) Law of Returns to Scale

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