Seat
No.

M.B.A. (Part – I) (Semester – I) Examination, 2012
MANAGERIAL ECONOMICS (Paper – IV) (New Course)
Sub. Code : 48323

Day and Date : Monday, 14-5-2012   Total Marks : 70
Time : 10.00 a.m. to 1.00 p.m.

Instructions : 1) Question No. **1** and **5** are **compulsory**.
2) Attempt **any two** questions from question no. **2** to **4**.
3) Draw neat diagrams **wherever** necessary.

1. Case study :   **20**

Marshall has developed the concept of elasticity of demand. He formulate the
Law of demand, but law of demand only shows the inverse relationship between
the price and demand of a commodity, it doesn't reveal the proportionate change
occurred in demand due to the change in price. Therefore to measure the
proportionate change in demand due to the change in price Marshall has formulated
the concept of elasticity of demand. With the help of the elasticity of demand
percentage change in demand caused due to the percentage change in price are
measured. Marshall has given various method of measurement of elasticity of
demand. By reading the above para answer the following questions.

a) State the total outlay method of measurement of Elasticity of Demand.   **10**

b) Explain the Geomertical method of measurement of Elasticity of Demand.   **10**

2. a) State the scope of Managerial Economics.   **8**

b) Explain the exception to the law of Demand.   **7**

3. a) What is Demand forecasting ? State its types.   **8**

b) Explain least cost input combination method.   **7**

4. a) Explain the firm's equilibrium in short run under perfect competition.　　8

　　b) Explain cost plus pricing method.　　7

5. Write short notes on (**any four**) :　　20

　　a) Law of Demand

　　b) Economies of scale

　　c) Product differentiation

　　d) Innovation theory of profit

　　e) Hawtrey's theory of Business cycle

　　f) Production function.