

Seat No	
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Regu-F-409

M.B.A. (Part - I) (Semester – I) Examination, 2010
MANAGERIAL ECONOMICS
(Paper – IV)

Day and Date: Wednesday, 22-12-2010
Time : 10.30a.m. to 1.30 p.m.

Total Marks : 70

Instructions : 1) *Q. No. 1 and 5 are Compulsory*

2) *Attempt any two questions from Q. No. 2 to Q.*

No4.

3) *Draw neat digrams wherever necessary.*

4) *Right hand side figure shows full marks.*

1. Case Study :

20

Alfred Marshall has developed the Law of Demand. He showed the inverse relationship between price and demand of a commodity. It means that as the price of a commodity changes it causes to change demand for a commodity inversely, but it can't shows what proportions of changes caused in demand due to the proportionate changes caused in price . In order to measure the changes in demand due to the change in price, Marshall propounded the concept of elasticity of demand. He defined it, also he has described the various types of elasticity of demand. He formulated the various methods of measurement of elasticity of demand. By reading the above para, answer the questions given elow:

A) Define Elasticity of demand, State its types.

10

B) Explain the proportionate method and Geometrical method of measurement of elasticity of demand.

10

OR

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A) State the elasticity of demand with the help of following example. **10**

	Price	Demand	Total Outlay	Elasticity of Demand
A)	5	10	50	-----?
	10	5	50	
B)	5	10	50	-----?
	4	20	80	
C)	5	10	50	-----?
	3	12	36	

C) Calculate the demand forecasting with the help of free hand curve method by using following data. **10**

Sale of Scooters

(000)

Year	Sale (000)
2006	50
2007	60
2008	55
2009	70
2010	65
2011	?

2.A) State the scope of managerial economics. **8**

B) Define demand forecasting, state its types. **7**

3.A) What is indifference curve? State its two characteristics. **8**

B) Explain the price – output determination in monopoly market. **7**

4.A) Discuss cost plus pricing method. **8**

B) State Hawtrey’s theory of business cycles. **7**

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

A) Features of managerial economics

B) Consumer’s surplus

C) Production function

D) Price discrimination

E) Uncertainty bearing theory of profit

F) Phases of Business cycles