**UR–488**

## M. B. A. (FT) (First Semester) EXAMINATION, 2011

MANAGERIAL ECONOMICS

(CP – 103)

*Time : Three Hours*

*Maximum Marks : 80*

Section — A                              8 each

**(Short Answer Type Questions)**

Note : Attempt any *four* questions.

1. Discuss the fundamentals of Managerial Economics. Explain the scope of Managerial Economics as a tool of managerial decision-making.

2. Write a short note on decision-making under certainty.

3. Explain the law of consumption. Why consumption function is considered to be a law made for developed countries only ?

4. Discuss the causes and effects of Inflation in an economy.

5. "Non-price Competition" is a feature of Oligopoly market. In this regard discuss how firms compete without using price strategy.

P. T. O.

6. Write a note of National Income and Social Welfare. Is there any link between the two ?

7. Differentiate between Balance of Trade and Balance of Payment.

8. Calculate from the table given below, the profit maximizing output level :

| Units of Output | Total Cost | Total Revenue | Marginal Revenue (MR) | Marginal Cost (MC) | Total Profit | Marginal Profit |
|---|---|---|---|---|---|---|
| 150 | 752 | 1000 | | | | |
| 151 | 753 | 1004 | | | | |
| 152 | 755 | 1008 | | | | |
| 153 | 758 | 1012 | | | | |
| 154 | 762 | 1016 | | | | |
| 155 | 767 | 1020 | | | | |
| 156 | 773 | 1024 | | | | |
| 157 | 780 | 1028 | | | | |

### Section – B                16 each

### (Long Answer Type Questions)

Note : Attempt any *three* questions.

9. "Managerial Economics is a discipline which deals with the application of Economic theory to business management." Elucidate this statement.

10. Explain in detail the different types of costs involved in Business Economics, diagrammatically.

11. Write short notes on any *two* of the following :        8 each
   (a) Price Effect
   (b) Types of Entry Barriers
   (c) Production Function

12. What is meant by price discrimination ? What are the necessary conditions to implement the same ? Taking the example of any industry explain how will the monopolist identify the different types of ways to discuminate among consumers.

13. What is meant by Monetary Policy ? Explain in detail the tools of monetary policy for regulating money control in economy.