

Roll No: _____

Total No of Printed Pages-3

Total No of Questions: 5.

Maximum Marks- 60

Duration (hrs) 3

Managerial Economics.

Note

1. *Attempt each question as per direction*
2. *Make neat diagrams wherever possible and supplement with example*

1. Do as instructed

5

1) Choose the correct answer. Demand is

- a. Willingness and desire at a particular time
- b. willingness desire and ability at a particular time
- c. Want at a particular time
- d. Need and Desire

2) Fill in the blank General theory of interest employment and money was written by-----

3) True or falls- Under communism there is freedom to produce to enterprise.

4) Supply creates its own demand, this law was given by

- a) Adam Smith
- b) Lord Keynes
- c) J B Say
- d) Lady Joan Robinson

5) Choose the correct answer. Macro economics developed as a result of

- a. The American civil war
- b. The Global financial crisis
- c. The great Depression
- d. The oil shock of 1970

2. Define any 5 of the following terms

10

- a) Cross elasticity of demand
- b) equilibrium
- c) Microeconomics
- d) Perfect Competition
- e) Dumping
- f) Social cost
- g) Marginal revenue

3. Attempt any five of the following

25

- 1) Explain what is demand? Give the law of demand and determinants of demand
- 2) Explain any two qualitative techniques of demand forecasting
- 3) What do you understand by law of variable proportions
- 4) What is oligopoly? write its major features
- 5) What are economies of scale and scope
- 6) Explain isoquant, expansion path and producers equilibrium
- 7) Write down the causes of the great depression

4. Attempt any one of the following

10

- 1) What is price discrimination? Explain the following terms related to price discrimination with suitable examples-
 - A. First, second and third degree price discrimination
 - B. Two part tariff
 - C. Peak load pricing

- 2) What is price elasticity of demand? How is it measured? Explain the following terms related to price elasticity of demand-
 - A. Elastic demand
 - B. Inelastic demand
 - C. Relatively elastic and relatively inelastic demand
 - D. Unitary elastic demand

5. Attempt any one of the following

10

1) What is monopoly? Give main features of monopoly, Explain price and output determination under monopoly with example

2) Solve the following

i. From the following table find the price elasticity of demand between

a) tea and coffee and

b) bread and butter

Commodity	Original		Final	
	P in Rs	Q in grams	P in Rs	Q in Kg
Tea	3	50	3	40
Coffee	4	30	5	20
Bread	7	80	2	90
Butter	75	30*	6	40*
*50 gram packet				

ii. Following is the price and quantity data of watches sold by a company

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Price in Rs100	3	2	3	5	6	5	4	9	7	6
Quantity in units	10	11	9	8	6	7	9	4	5	9

Fit a linear regression line and estimate demand when price is Rs 7 (in Rs 100), 8 (in Rs 100) and 11(in Rs 100)