

FACULTY OF MANAGEMENT**M.B.A. I – Semester (Backlog) Examination, June 2017****Subject : Managerial Economics****Course No. : 1.2****Time : 3 hours****Max. Marks : 80****Note : Answer all the questions.****Part – A (10 X 2 = 20 Marks)****(Short Answer Type)**

- 1 a) Discounting Principle
- b) Market Signaling
- c) Demand schedule
- d) Consumer surplus
- e) Economies of Scale
- f) Iso-quant curve
- g) Kinked demand curve
- h) Penetration pricing
- i) Trade cycle
- j) Inflation

Part – B (5 X 12 = 60 Marks)**(Essay Answer Type)**

- 2 a) Explain the role of Managerial Economist in a Modern Organisation.
OR
b) Explain the role of matrices in economic decision making.
- 3 a) Define elasticity of demand. Discuss the role of elasticity of demand in managerial decision making.
OR
b) What is meant by demand forecasting? What are the essentials of a good forecast?
- 4 a) Discuss the nature and managerial uses of Production function.
OR
b) What is CVP analysis? Explain the managerial uses of CVP analysis.
- 5 a) Discuss the price determination process in an industry in oligopolistic competition.
OR
b) Briefly explain various pricing strategies adopted by sellers in modern markets.
- 6 a) Explain the concept of national income and discuss its relevance to business.
OR
b) Discuss the various phases of business cycles.