

First Semester M.B.A Degree Examinations**December 2015/ January 2016****(Directorate of Distance Education)****(Old Scheme/ New Scheme)****PAPER – MBA 160: MANAGERIAL ECONOMICS****Time: 3hrs.]****[Max. Marks: 75/ 80****SECTION – A****Answer the following, each question carries TWO marks:****5 x 2 = 10 Marks**

1. a) Define Managerial Economics.
- b) What do you mean by Economies of Scale?
- c) Define Equimarginal Principle.
- d) What is Price Elasticity of Demand?
- e) What is Differentiated Oligopoly? Give example.

SECTION – B**Answer any FIVE of the following, each question carries SIX marks:****5 x 6 = 30 Marks**

2. Explain the purpose of demand forecasting.
3. What is Elasticity of Demand? Explain the types of Elasticity of Demand.
4. Explain the significance of Economies of Scale.
5. Describe the Cost Based Pricing methods.
6. From the following information calculate, a) PV Ratio b) BEP & c) If the selling price is reduced to R80/- calculate the BEP.
Total sales R5,00,000/-, Selling Price per unit R100/-, Variable Cost per unit - R60/-,
Fixed Cost R1,20,000/-
7. Discuss the methods for measuring profit.

SECTION – C**(10 + 10 + 15 = 35)****Answer the following question. Question No.8 and 9 carries TEN marks each.****Question No.10 carries FIFTEEN marks:**

8. a) Discuss the nature and scope of Managerial Economics.

OR

- b) Describe the factors influence on managerial decisions.

Contd.....2

9. a) What is Demand Analysis? Explain the types of demand and how to determine demand.

OR

- b) Explain the merits and demerits of qualitative demand forecasting methods.
10. Show the three stages of production in short run production function and explain, how variable input level is determined in short run production function.

SECTION – D

(Compulsory for New Scheme Students)

Answer the following question, which carries FIVE marks:

1 x 5 = 05 Marks

11. a) What are exception to the law of demand? State the characteristics of short run cost curve.

OR

- b) Discuss the Cost Output relationship in long run.

* * * * *