

(Following Paper ID and Roll No. to be filled in your Answer Book)

**PAPER ID : 1135**

Roll No.

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**M. B. A.**

**(Semester-I) Theory Examination, 2012-13**

**ECONOMICS FOR MANAGERS**

*Time : 3 Hours]*

*[Total Marks : 100*

*Note:* Attempt questions from each Section as per instructions.

**Section-A**

Attempt *all* parts of this question. Each part carries

2 marks.

2×10=20

1.
  - (a) Explain Managerial Economics.
  - (b) What is Price Rigidity?
  - (c) Define Cross Elasticity of Demand.
  - (d) Define Income Elasticity of Demand.
  - (e) What is Profit?
  - (f) Define Production.

- (g) Define Monopoly.
- (h) What is business life cycle ?
- (i) What is strategic pricing ?
- (j) What is Gross Domestic Product ?

### Section-B

Attempt any *three* parts of this question. Each part carries 10 marks.  $10 \times 3 = 30$

2. (a) Explain the role of managerial economics in business decision-making.
- (b) Explain the characteristics of monopoly market. Also elaborate on the phenomenon of price discrimination in monopoly market.
- (c) Discuss the role of Managerial Economics in business decisions.
- (d) What is Business Cycle ? Discuss its phases.
- (e) Explain Production. Discuss law of variable proportion in production.

### Section-C

Attempt *all* questions of this Section. Each question carries 10 marks.  $10 \times 5 = 50$

3. What is elasticity of demand ? What are its managerial uses ?

*Or*

Explain the methods used for demand forecasting.

4. What do you mean by Cost ? Explain long-run cost curves.

*Or*

What is the significance of supply analysis in management ?

5. Explain perfectly competitive market. How are prices determined in this market ?

*Or*

Explain Oligopoly Market. How is price rigidity explained in Oligopoly market ?

6. Explain the concept of Inflation. Elaborate on the reasons leading to high inflation. Also explain how high inflation can be contained.

*Or*

How is profit explained in Economics ? Explain two major theories explaining profit.

7. Write short notes on any two of the following :

- (i) Relationship of Managerial Economics with other disciplines
- (ii) Equimarginal Principle
- (iii) Principle of Time Perspective.