MODEL QUESTION PAPER

MBA02

I Semester MBA Examination, August 2011
MANAGERIAL ECONOMICS

Time: 3 Hours Max. Marks: 75

GROUP A: Answer any three questions.

Q.1 Explain the equilibrium of the firm & industry.
Q.2 What are the purposes of Demand forecasting?
Q.3 What is Profit? Profit arises only in dynamic economy'. Do you agree justify your choice.
Q.4 what are different methods of demand forecasting.
Q.5 Explain the concept of price elasticity of demand? Also explain the types of price elasticity.

GROUP B: Answer any three questions.

Q.6 Explain the concept income elasticity of demand.
Q.7 Discuss in detail New Product Pricing.
Q.8 Explain different degrees of price discrimination.
Q.9 What are the barriers to entry for a firm under imperfect market? Support your answer with suitable example.
Q.10 Explain the Cournots Duopoly model.

GROUP C: All Questions are Compulsory.

Q.11 Fill in the blanks

(i) A business unit undertaking production of commodity is called as ____________.
(ii) Income elasticity of demand measures the ________ of demand to change in _________.
(iii) Goods used for final consumption are called as __________.
(iv) A practice in which prices are calculated by adding mark up to total cost is known as ______.
(v) Cash discounts are price reductions based on __________.

Q.12 Multiple choice question.

(i) Change in income will have no effect on the quanties demanded is type of ________.
(a) Positive income elasticity (b) Negative income elasticity
(c) Zero income elasticity (d) non of these

(ii) A market structure characterized by the existence of only one firm the industry is known as ________.

(a) Oligopoly (b) Equilibrium
(c) Monopoly (d) Elasticity of demand

(iii) Following is one of the demand forecasting method.

(a) Gaussian method (b) Simpsons method
(c) Delphi method (d) Hertz method

(iv) From below mentioned which is method of stock valuation______.

(a) Naive (b) LIFO
(c) Collective (d) Regression

(v) Demand forecasting refers to an estimation of ________.

(a) Trends in the market
(b) Future demand for the product.
(c) Most likely future demand for a product
(d) Precise demand for a product at a future date

Q.13 True or false

(i) Managerial economics does not have any relationship with other discipline.
(ii) Goods which can be consumed only once are called as perishable goods.
(iii) Profit is measuring rod of a business performance.
(iv) Cost plus pricing is a practice in which prices are calculated by adding mark up to total cost.
(v) Industry is defined as a set of firms producing heterogeneous goods.

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