

QUESTION BANK

MCA-405 Elective –I: E1(C) Managerial Economics

UNIT-I

- Q.1 “ Managerial economics lies on the border line between economics and business Management”. Do you agree with statement ? Give reasons and explain the scope of Managerial Economics.
- Q.2 What is the concept of managerial economics ? How it is helpful to the modern business world ?
- Q.3 What do you understand by managerial economics ? Explain significance of managerial economics.
- Q.4 Define economics ? What are the areas of managerial economics
- Q.5 Explain concept of behavioral theories of the firm .
- Q.6 Write short notes on
- a) objectives of a firm
 - b) Nature of M.E.
- Q.7 “Knowledge of Economics is an essential prerequisite for successful planning and decision making in business.” Comment.

UNIT-II

- Q.1 What are the various principles of managerial economics ? Explain
- Q.2 Explain fundamental concept of managerial economics ?
- Q.3 What are the types of Income elasticity of demand ?
- Q.4 Define Demand forecasting ? Explain methods of demand forecasting .
- Q.5 What is the purpose of demand analysis ? Why demand analysis is essential for the successful production planning and capital expansion ?
- Q.6 What is demand analysis ? Explain its characteristics and significance ?
- Q.7 What do you mean by elasticity of demand ? Explain various methods of measuring elasticity of demand
- Q.8 Discuss the price and income elasticity of demand with the help of diagram .

UNIT –III

- Q.1 Distinguish between long run and short run cost curves. Explain with diagram

Q.2 Define cost analysis? Explain its types and significance .

Q.3 What are the various techniques used in measuring profit ?

Q.4 What do you understand by Break even analysis ?

Q.5 Define cost ? What are the types of Cost ?

Q.6 Project the trend of sales for next five years

Years	Sales (Rs. In Cr)
2007	120
2008	140
2009	120
2010	150
2011	170

Following are the costs of production of a company at two levels of activity-

Production Capacity	60%	100%
Output Units	600	1000
Direct Material	Rs. 1200	1200
Direct Wages	Rs. 900	1500
Repair and maintenance	Rs. 1100	1500
Power and fuel	Rs. 1600	2000
Depreciation	Rs. 4000	4000
Insurance	Rs. 1000	1000

Indicate which of items of cost are fixed, Variable and semi-variable. Find out the total and per unit cost of production when capacity level is 80%.

UNIT-IV

Q.1 With the help of an isoquant explain equilibrium of a producer using two inputs which are perfect substitutes having the same market price .

Q.2 What are Isoquant ? Discuss various types of isoquants and their significance .

Q.3 Explain law of supply and supply schedule and curve .

Q.4 Explain the law of variable proportions with suitable example and diagram .

Q.5 Define production function ? Explain the factors which affect it .

Q.6 Define production . Explain factors affecting production

UNIT-IV

Q.1 Discuss the price determination under monopoly during short and long period .

Q.2 Explain the main features of monopolistic competition and perfect competition .

Q.3 Discuss the price and output determination under perfect competition during short and long period.

Q.4 What do you mean by term pricing strategy ? Explain types of pricing strategies for determining the price .

Q.5 Distinguish features of monopolistic and oligopolistic competition ?

Q.6 Describe the characteristic of a monopoly . How can price be determined in this type of market

Q.7 How price can be determined under monopolistic competition . Explain with diagram.

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