

MMS/D-12

13570

MANAGERIAL ECONOMICS

Paper : CP-103

Time : Three Hours]

[Maximum marks :70

Note: Attempt any *eight* questions from Part-A and *three* questions from Part-B. Each question of Part-A carries 5 marks and each question of Part-B carries 10 marks.

PART-A

1. Describe the scope of Managerial economics?
2. Distinguish between Accounting profit and Economic profit.
3. Describe properties of Indifference curve.
4. What is the significance of Elasticity of demand in decision-making?
5. Explain Price elasticity and Cross elasticity?
6. Distinguish between Linear and Non-linear demand function.
7. Illustrate Least square method of Demand forecasting
8. Define optimum input-combination. Explain graphically.
9. What is meant by Price discrimination and Price leadership?
10. Define MPC and APC. Also define Multiplier.

PART-B

11. Describe the various methods of measuring national income.
12. What are the main objectives of Fiscal policy? How does taxation affect the private business activities?
13. Why is a firm under perfect competition a price-taker and not a price-maker?

14. Show how the firms equilibrium price and output of a monopoly firm are simultaneously determined in the long term.

15. Suppose demand function for a product is given as $Q=500-5p$. Find out

- (a) Quantity demanded at price Rs. 15;
- (b) Price to sell 200 units;
- (c) Price for zero demand; and
- (d) Quantity demanded at zero price.