

19. (a) Explain Hawley's Risk Theory of profit.

Or

- (b) 'Profits are caused by innovations and disappear by imitation' - Explain this statement.

20. (a) Discuss the problems of measurement of national income in a developing economy.

Or

- (b) Describe the various phases of Business Cycle and explain the steps that businessmen may take to safeguard themselves against the evil of a business cycle.

Reg. No. :

Code No. : 7472

Sub. Code : C 14 A

M.B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2011.

First Semester

Business Administration

MANAGERIAL ECONOMICS

(For those who joined in July 2008 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL the questions.

1. Managerial Economics.
2. Pricing Decisions.
3. Elasticity.
4. Cost of capital.
5. Monopoly.
6. Price Leadership.
7. Cartel and Collusion.

8. Break Even Analysis.
9. Gross National Product.
10. Disposable Personal Income.

PART B — ($5 \times 5 = 25$ marks).

Answer ALL the questions, choosing either (a) or (b).

11. (a) Explain the factors affecting Demand.

Or

- (b) What do you know about Price Elasticity of Demand? Give its Degrees.

12. (a) Give any two uses of Marginal Production function.

Or

- (b) Describe the modern theory of cost curves.

13. (a) What is perfect competition? How prices are determined under perfect competition?

Or

- (b) State the features of Monopolistic competition.

14. (a) What will be the nature of Demand curve of a firm under perfectly competitive conditions of the market?

Or

- (b) In what ways Break-Even Analysis help the business firms?

15. (a) Is Inflation necessary for economic development? Explain.

Or

- (b) What is meant by 'Recovery' in Depression? State how this could be brought about.

PART C — ($5 \times 8 = 40$ marks)

Answer ALL the questions, choosing either (a) or (b).

16. (a) "Managerial Economics has assumed a significant role in business firms" - Comment.

Or

- (b) State the importance of Law of Diminishing Marginal Utility.

17. (a) Explain the Economics of scale and different types of economics with illustrations.

Or

- (b) Analyze the cost output relationship in the short-run.

18. (a) How is price determined under monopoly? Differentiate competitive price from monopoly price.

Or

- (b) Is price indeterminate in oligopoly? Point out the causes for this indeterminateness under oligopoly?