

SVKM's NMIMS

School of Distance Learning

Programme: PGDFM/ADITM/DITM/PGDITM

Academic Year: 2011-2012

Semester II/III

Subject: Managerial Economics

Marks: 70

Time: 11.00 a.m to 2.00 p.m

Date: 5.1.2012

Course old

Instructions: Attempt all questions.
Figures to right indicate full marks

Q.1 Attempt any 2 out of 4. (10)

- a) Explain any two techniques used in the study of Managerial Economics.
- b) What is price elasticity of demand? How is it applicable in the business decision making?
- c) What is the "Law of Demand"? What are its exceptions?
- d) Explain the concepts of implicit and explicit cost of production.

Q.2 Write short notes on any 2 out of 5. (10)

- a) Scope of Managerial Economics
- b) Demand Forecasting
- c) Production Function
- d) Returns to Scale
- e) Economies of Scope

Q.3 Attempt any 3 out of 5 (30)

- a) Explain the following concepts in detail – i) Income elasticity of demand
ii) Cross elasticity of demand
- b) Write a note on "Law of Diminishing Marginal Returns to Scale".
- c) Explain the behaviour of Total cost, Average Cost and Marginal Cost, in the short and long run.
- d) Explain the short run equilibrium of a firm under perfect competition.
- e) What are the features of oligopoly? Why is the demand curve under oligopoly kinky in nature?

Q.4 Attempt any 2 out of 3. (20)

- a) Explain the following – i) Factors influencing the nature of competition.
ii) Features of monopolistic competition.
- b) Discuss by giving examples, different types of price discrimination.
- c) What are the major pricing strategies adopted by a firm?
