

MANAGERIAL ECONOMICS

Time: 3 Hours

Max. Marks: 75

*Answer Any FIVE Questions, one from each unit  
Question No. 11 is Compulsory*

**UNIT-I**

- 1. a What are the salient features of managerial economics? 6M
- b What is discounting principle? Explain its role managerial decision making. 6M

**OR**

- 2. a Explain the major objectives of the firm? 5M
- b Explain the theories of the firm. 7M

**UNIT-II**

- 3. a State and explain the law of demand. 6M
- b Explain the important determinants of demand. 6M

**OR**

- 4. a What is elasticity of demand? Explain. 6M
- b Distinguish between price elasticity, income elasticity and cross elasticity of demand. 6M

**UNIT-III**

- 5. a What is production function? Explain. 5M
- b Explain law of return to scale. 7M

**OR**

- 6. a Discuss the cost output relationship in long run. 8M
- b Define Perfect Competition. Explain. 4M

**UNIT-IV**

- 7. a Explain the features of oligopoly. 6M
- b Explain the kinked demand hypothesis of oligopoly. 6M

**OR**

- 8. a What is price discrimination? Discuss 4M
- b Explain any four methods of pricing based on strategy. 8M

**UNIT-V**

- 9. a What is inflation? 3M
- b Explain the causes and measurement of inflation. 9M

**OR**

- 10. a Explain the Keynes theory of full employment. 4M
- b Explain the nature of National Income. 8M

- 11. **CASE STUDY** 15M

Given Data:

Year	2013	2014	2015	2016	2017	2018	2019
Sales (in Units)	10	12	15	18	24	25	30

Project the sales in future for the year 2022

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