PG Odd Semester (CBCS) Exam. December, 2022

Business Administration

(1st Semester)

Course No: CP-102 (O)

(Managerial Economics)

Full Marks: 70

Pass Marks : 28

Time: 3 hours

The figures in the right margin indicate full marks for the question.

1. (i) "Managerial economics is an integration of traditional economics theories and decision science to busines practice". Explain. 7

   (ii) Explain 6 characteristics of managerial economics. 7

Or

2. (i) What is demand function? Write an illustrative note on demand function with appropriate diagram and example. 7

   (ii) Following data exaplains demand phenomenon.

Situation-A		Situation-B	
Price	Quantity	Price	Quantity
10	20	6	30
8	25	8	25
6	30	10	20

Describe the demand movement on the basis of the above data by drawing and explanations. 7

3. (i) Distinguish between short run and long run production function. 6

(ii) (a) The production function of a firm is given as—

Calculate the level of output when it employs 25 units of labour (L) and 16 units of capital (K). 4

(iii) Calculate Average Product and Marginal Product from the following table :

Table

Variable Factor	Total Product
1	2
2	5
3	9
4	12
5	14
6	15
7	15
8	14

4

4. What do you mean by ‘Cost Function’? Explain cost behaviour in short term with special reference to TFC, AFC, TVC, AVC, TC, ATC, and MC. 5+9=14

Or

5. (i) Explain the relationship of demand, Average Revenue, Marginal Revenue, Total Revenue under monopoly market. 7

(ii) Briefly state about the strategies of monopoly firms in profit and revenue maximisation. 7

6. Write short note : 14

(i) Product differentiation as a strategy

(ii) Price discrimination as a strategy

(iii) Price leadership as a strategy

Or

7. Write an illustrative note on “Business Cycle Vis a Vis Trade Cycle” as a explnation of economic situation and trends. 14

8. Write an “Balance of Payment Situation” in India. Do you think that the Indian balance payment at present has got an improvement? Comment. 9+5=14

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