

Subject Code: MB1312/R13

**M B A I Semester Regular Examinations, Feb/Mar - 2014
MANAGERIAL ECONOMICS**

Time: 3 hours

Max Marks: 60

Answer any FIVE of the following

All questions carry equal marks. Q.No.8 is compulsory

1. Answer any THREE of the following (3x4=12)
 - (a). Role of managerial economist
 - (b). Pricing objectives,
 - (c). Price differentiation
 - (d). Risk and uncertainty.
2. Give an outline of the main concepts and techniques in managerial economics.
3. What are returns to scale? Explain the various phases of returns in the long run.
4. Distinguish between the long run and short run average and total cost curves..
5. Explain the different pricing strategies in practice that you recommend to a firm at the time of introducing its new products in the market.
6. What is the main emphasis of the economic theory of a firm? Explain.
7. Examine the managerial uses of Cost Concepts.

8. CASE STUDY :

An Economic Research Centre has published data on GDP and demand for refrigerators as given below.

Year	2007	2008	2009	2010	2011	2012	2013
GDP (bill. Rs.)	20	22	25	27	30	33	35
Refrigerators (mill. Units)	50	60	80	80	90	100	120

- a). Estimate regression equation $R = a+bx$ where as Refrigerators are Dependant variable and GDP is independent variable.
- b). Forecast demand for refrigerators in the years 2014 and 2015. The research centre has projected GDP for 2007 and 2008 at Rs. 38 billion and Rs. 40 billion respectively.
