

Vidya vikas mandal's

Shree Damodar College of Commerce and Economics Margao-Goa

F.Y.B.Com Semester-I, Semester End Examination, Oct 2017 (Old Course)

**Managerial Economics**

**Duration: 2 hours**

**Max. Marks: 80**

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**Instructions:**

Figures to the right indicate maximum marks.

(4x4=16)

Start each question on a fresh page

All questions are compulsory

Qn. 1 Answer any four from the following

- i. Define Managerial Economics.
- ii. Net Present Value.
- iii. Opportunity cost.
- iv. Four objectives of modern firm.
- v. Cross elasticity of Demand.
- vi. Four determinants of demand

Qn. 2 Answer any four from the following

(4x4=16)

- a. Meaning of production function.
- b. Variable factor.
- c. Increasing returns to scale.
- d. Economic cost.
- e. Marginal cost.
- f. Joint Cost.

Qn. 3a. Define managerial economics. Explain the scope and importance of managerial economics. (12)

OR

Qn.3b. Define price elasticity of demand. Explain different types of price elasticity of demand. (12)

Qn.4a. What is demand forecasting. Explain any three methods of demand forecasting. (12)

OR

Qn.4b. What is equilibrium in the market? Explain how changes in demand and supply determine the market equilibrium. (12)

Qn.5a. Explain law of variable proportion with suitable diagram. (12)

OR

Qn.5b. What are the economies of scale in production? Explain different types of economies of scale in production.

(12)

Qn.6a.

1 Explain the relationship between AC and MC curves (6)

2. Explain long run cost curves (6)

OR

(P.T.O.)

Qn.6b. Find out the following costs.

(12)

Unit of output	Fixed Cost	Variable Cost	Total Cost	Average Fixed Cost	Average Variable Cost	Average Cost	Marginal Cost
0	2000	0					
1	2000	100					
2	2000	180					
3	2000	240					
4	2000	320					
5	2000	410					
6	2000	530					
7	2000	680					
8	2000	860					
9	2000	960					
10	2000	1170					