

Duration: 2 hrs

Max Marks: 80

Instructions:- All Questions are compulsory

Figures to the right indicate marks

Answer Q1 &amp; 2 in 100 words and Q3 to 6 in 400 words approximately

Answer each question on a fresh page

Draw graphs &amp; diagrams where required

Q1. Write short note on any four of the following. (4x4=16)

1. Uses of Managerial Economics.
2. Concept of Opportunity Cost.
3. Extension & Contraction in demand with help of a graph.
4. Market equilibrium with help of a graph.
5. Gross elasticity of demand.
6. Point method of measuring elasticity.

Q2. Write short notes on any four the following. (4x4=16)

1. Increasing returns to scale.
2. Production function.
3. Long run Average Cost Curve.
4. Explicit and Implicit Costs.
5. Marginal product and total product.
6. Money costs and Real costs.

Q3.A. Define managerial economics and explain its characteristics (12)

OR

Q3.B. Explain the law of demand with the help of a schedule &amp; graph and list the exceptions to the law of demand (12)

Q4.A. Explain price elasticity of demand with the help of graphs. (12)

OR

Q4.B. Explain (12)

- i) The law of supply & determinants of supply
- ii) Any two methods of demand forecasting

Q5.A. Explain the law of variable proportion with the help of a schedule and graph. (12)

OR

Q5.B. Calculate TC, AC, AFC, AVC and MC from the following data. The total fixed cost is Rs 200/- (12)

Output:	1	2	3	4	5	6	7	8
TVC :	50	80	100	120	160	220	300	600

Q6.A. Explain the different short run cost functions (12)

OR

Q6.B. Explain the various internal economies and dis-economies of scale (12)