Paper: Managerial Economics
University of Sargodha
2014   MCOM/TERM

Composed by Iftikhar Ali Lecturer Statistics, Finance & Accounting

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Objective part is compulsory. Attempt any three questions from subjective part.

Objective Part

Q No1: Explain the following in 2 to 3 lines (16 x 2= 32)
1) What is Marginal Rate of Substitution
2) Define Managerial Economics
3) Define Cross Elasticity of Demand
4) What is Correlation
5) What is Price Discrimination
6) Define Game Theory
7) What is Linear Programming
8) Define Monopoly
9) What is Monopolistic Competition
10) Define Shadow Prices
11) What is Expansion Path
12) What is Constrained Optimization
13) Define Forecasting
14) What is an indifference Curve
15) What is Nash Equilibrium
16) Define Cost Volume Profit Analysis

Subjective Part

Q.2 Discuss the scope & Importance of Managerial Economics.

Q.3 Explain a firm's equilibrium in short run under perfect competition.

Q.4 How a producer gets optimum combination of factors with the help of isoquants?

Q.5 Derive the demand curve of a consumer with the help of price consumption curve.

Q.6 A firm's total cost and demand function are given as:

$$TC = \frac{1}{3}Q^3 - 7Q^2 + 111Q + 50$$

$$Q = 100 - P$$

    (i) Find the profit maximizing quantity of production and price.

    (ii) Prove that profit is maximum at that level where MC = MR