

Seat No. : _____

NG-104

December-2015

S.Y. M.B.A. Integrated

Micro Economics (Theory)

Time : 3 Hours]

[Max. Marks : 100

- Instructions :** (1) Attempt **all** questions.
(2) Draw diagram if required.
(3) Figures to the right indicate full mark.

1. (a) Discuss Morris model of managerial enterprise. **10**
(b) Explain Cyert March's behavioural theory of the firm. **10**
2. (a) Explain the law of equi-marginal utility hypothesis in a two commodity consumption model. **10**
(b) Explain price effect with the help of diagram in case of normal goods and inferior goods. **10**
3. (a) Define and differentiate autonomous demand and derived demand. **5**
(b) Explain the three method of measuring price elasticity. **5**
(c) Explain various qualitative methods of demand forecasting. **10**

OR

- (i) Explain types of cross elasticity
(ii) Discuss elasticity of substitution.

4. (a) Explain shift in supply and extension of supply with the help of diagram. **5**
(b) Explain types and properties of iso-quants. **5**
(c) Explain law of diminishing marginal rate of technical substitution. **10**

OR

Explain law of varriable proportion in short run production analysis.

5. (a) Define following terms : (any **five**) **5**
(i) Implicite cost
(ii) Average cost
(iii) Marginal cost
(iv) Sunk cost
(v) Fix cost
(vi) Shutdown cost
- (b) Give the difference between cost control and cost reduction. **5**
(c) Explain cost-output function in a short run with help of diagram. **10**

OR

What is break-even point explain with the help of break even chart and discuss limitations of break-even analysis.