

Seat No. : _____

DF-153

December-2018

S.Y. M.B.A., Integrated Sem.-III

**Micro-Economics
(Theory)**

Time : 2:30 Hours]

[Max. Marks : 70

1. Critically evaluate the Cyert and March Behavioural theory of the firm. **14**

OR

Critically evaluate the Baumols Sales Revenue Maximisation model of theory of the firm.

2. Explain the types and properties of an Indifference curve. **14**

OR

- (a) Distinguish between Cardinal and Ordinal utility . **7**
(b) Discuss the Price effect. **7**

3. (a) What are the Quantitative methods used to forecast demand of refrigerators and air-conditioners ? **7**
(b) Define income elasticity of demand and its uses. **4**
(c) Differentiate between direct demand and derived demand. **3**

4. Elaborate the Law of Variable Proportion in the short-run. **14**

5. (a) What do you understand by incremental cost and marginal cost ? Discuss their managerial applications. **9**
(b) What is Total Cost, Average Cost and Marginal Cost ? Describe their relationship. **5**
