

## UNIT – 1

1. Explain why the concept of scarcity is central to the study of economics.
2. The opportunity cost of any decision includes the value of all relevant sacrifices, both explicit and implicit. Do you agree? Explain.
3. In economics there is no “free lunch.” What do you believe is the meaning of this statement?
4. Explain how managerial economics is similar to and different from microeconomics.
5. Discuss various techniques of managerial economics.
6. Explain various methods of managerial economics.
7. Discuss some of the applications of managerial economics.
8. Managerial economics is a Normative economics. comment
9. Which economic concepts can be used by managers in taking various business decisions
10. Conceptualize managerial economics as a facilitator to managerial decision making along with relevant illustration.
11. Discuss managerial economics with respect to its application in business.
12. Managerial economics is prescriptive rather than descriptive in character” Discuss.
13. The purpose of managerial economics is to show how economic analysis can be used in formulating business policies .comment
14. Define ‘Managerial Economics’. Discuss its nature and scope.
15. How would you apply the knowledge of Economics to the managerial decision making ?
16. Explain the price and macroeconomic approaches to the study of Economics.

## Unit – 2

1. The “law of demand” is not a law. Do you agree with this statement? Explain.
2. Does the following statement violate the law of demand? The quantity demanded of diamonds declines as the price of diamonds declines because the prestige associated with owning diamonds also declines.
3. The price elasticity of demand of gasoline is more elastic in the long run than it is in the short run. Do you agree? Explain.
4. What, if anything, can you say about the relationship between the price elasticity of demand for a good and the percentage of an individual’s income spent on that good?
5. The price elasticity of demand of a good at a given price is more elastic for wealthy individuals than for individuals who are less affluent. Do you agree? Explain.
6. Explain the relationship between elasticity of demand, Total revenue and Marginal revenue.
7. Explain the different types of price elasticity of demand. Explain with the help of example.
8. Define Demand and explain determinates of demand.
9. Explain “Law of Demand” and exceptions to law of demand.
10. Explain Marshall’s approach to utility analysis.
11. Discuss various methods of forecasting demand.
12. Explain law of supply and elasticity of supply.
13. Show that total revenue is maximum at the level of output at which marginal revenue is minimum.
14. As the total utility goes on increasing the marginal utility decreases explain this concept with example.
15. Distinguish between Cardinal and Ordinal Utility. Which one is more realistic?
16. What is marginal rate of substitution?

17. The profit Maximising price will never be set where demand is inelastic True or false  
explain
18. Why does demand curve shows sloping down?
19. Explain the concept of Elasticity of Demand with the help of suitable example
20. What is Income elasticity of demand? How is it measure?
21. Explain Cross elasticity of demand with the help of suitable example
22. State the need and importance of demand forecasting.
23. Why is demand estimation and forecast important for managerial decision- making?
24. What are the essentials of a Demand?
25. State the significance demand forecasting.
26. What are the various determinants of demand for essential goods, common goods, and  
luxurious goods?
27. Describe the price and demand relationship with suitable examples.
28. State and explain the Law of diminishing marginal utility, with example.
29. Explain the relationship between price and quantity demanded of a commodity.
30. What are the determinants of supply? Explain the concept of elasticity of supply.
31. Explain indifference curve analysis for understanding demand.
32. Explain the process of consumer's equilibrium with the help of indifference curve.
33. What do you understand by elasticity of demand? explain the various method of  
calculating elasticity of demand.
34. Why is demand analysis essential for success production planning and capital expansion?
35. State and explain the Law of Diminishing Marginal Returns.
36. Why does the normal demand curve slope downwards? Can there be an upward rising  
demand curve? Explain with examples.
37. Define demand and brief out its determinants
38. What do you understand by demand analysis? Explain its importance in managerial  
decision making.
39. Explain the law of Demand. Is it applicable to all types of goods? Justify your answer
40. What is elasticity of demand? State different types of elasticity.
41. Economics laws are subject to exceptions. Justify your opinion in reference to exception  
to law of demand
42. Explain the various kinds of price elasticity of demand with diagram

43. What is the law of diminishing marginal utility? Explain the law with the help of an empirical example
44. What is meant by demand forecasting? Why is it so critical for management of business firm?
45. Explain the various kinds of income elasticity of demand with diagram.
46. Enumerate the uses of income elasticity of demand concept for managerial decisions
47. What do you mean by point elasticity along with the illustration and formula
48. What are the determinants of demand? Explain its significance.
49. Why does the individual demand curve normally slope down? Why does a market demand curve normally slope down
50. The profit –maximizing price will never be Set where demand is inelastic. True or false? Explain

### Unit- 3

1. Marginal cost is the cost of producing the “last” unit of output. Do you agree? If not, then why not?
2. Explain the difference between marginal cost and incremental cost.
3. Explain isoquant and isocost curves. What are their characteristics & significance?
4. Explain economies of scale.
5. Explain the concept of isoquant.
6. What do you understand by Expansion path. Explain how it is useful for an entrepreneur.
7. Explain the relationship between production function and cost.
8. State the nature of short run cost curve.
9. What is production and production function? Explain its importance in managerial economics.
10. Explain isoquant and isocost curves. How do they help in finding the least cost combination of inputs?
11. What is economies of scale? Explain with suitable example?
12. Explain the factors of production function.
13. Discuss the various economies of scale, how do they influence the size of the firm.
14. What do you mean by ‘production function’? Explain the factor of production.
15. Explain with illustration the Economics of scale
16. Explain with illustration the diseconomies of scale
17. What is meant by opportunity cost? Give its economic significances.
18. What are the uses of ISOQUANT and ISOCOST?
19. Explain the relationship between ISOQUANT and ISOCOST?
20. What do you understand by short cost function .explain it with suitable example?
21. Define and explain Marginal rate of technical Substitution (MRTS).
22. State the relation between fixed cost, variable cost, total cost, and marginal cost with illustrations.
23. Explain the law of diminishing marginal returns and provide an example of this phenomenon.
24. When the average product of labour is equal to the marginal product of labour is maximized. Do you agree? Explain

25. Explain the concept of fix and variable cost.
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#### Unit – 4

1. Explain the concept of sales maximization.
2. Explain why the concept of the ownership of a public corporation is a Complex issue.
3. Explain the differences between profit maximization and wealth Maximization.
4. Explain the implications of risk and uncertainty for the theory of the firm.
5. Explain the implications of the agency problem for the theory of the firm.
6. Explain how managers can take advantage of the problems in measuring Profit.
7. Explain the assumption underlying the economist theory of firm.
8. The actual economic behavior of the firm cannot be explained with or without profit, explain.
9. Explain Simons satisfying behavior model.
10. Explain Baumol's sales maximization model.
11. Explain Williamson Managerial Utility model.
12. "Firm do not maximize profit, infact they cannot maximize profit because they do not know what the maximum to aim at is" comment.
13. Differentiate between profit maximization and sales maximization.
14. What is the significance of Simon's satisfying behavior model
15. Discuss the Marginal utility model with suitable example

Unit – 5

1. Product differentiation is an essential characteristics of oligopolistic market structure. Comment.
2. How is the price of product determined under monopoly?
3. Distinguish between monopoly & oligopoly market
4. Discuss the Features of Perfect competition.
5. Under perfect competition all the firms are price takers. Comment.
6. What do you mean by market failure and market power?
7. Being a manager of a company how will you reduce the cost of product in imperfect competition?
8. Give the classification of market on the basis of degree of competition. With the help of suitable examples.
9. Generally governments do not let any monopoly to exist, why?
10. Show how a monopoly firm reaches its equilibrium in the long run.
11. What are the features of Oligopoly
12. What is meant by 'Monopolistic Competition'? Give its features with examples
  
13. Show how a monopoly firm reaches it equilibrium in the short run with the help of MR and MC curves
14. Distinguish between perfect competition and monopoly
15. Can government intervention helps in controlling monopolies and regulating prices? Support your answer.
16. How is price and output determination under monopoly different from that under perfect competition?
17. Explain the classification of market on the basis of degree of competition
18. What is market? How are markets classified on the basis of degree of competition?
19. Explain the various features of a perfectly competitive market. How is price of commodity determined under it?
20. "In a perfectly competitive market no one influences the price of a commodity" discuss.
21. Discuss price determination in industry under perfect competition.
22. "There is no unique solution to the problem of determine of price and output under oligopoly". Discuss
23. What are the main features of oligopoly? Discuss in short the different oligopoly situations.
24. Explain the kinds of price leadership models as a case of imperfect collusion. Also discuss the advantage of such price leadership in oligopoly.
25. Product differentiation is an essential characteristic of oligopoly market structures. Do you agree? explain
26. What do you mean by monopoly? Give the characteristics of monopoly. Discuss the pricing under monopoly in short run



27. Differentiate between monopoly and perfect competition.
28. Differentiate between monopolistic and oligopolistic competition.