

**M.Sc. FASHION MERCHANDIZING AND  
RETAIL MANAGEMENT (MSCFMRM)**

**Term-End Examination**

**December, 2013**

**MFW-008 : MANAGERIAL ECONOMICS**

*Time : 3 hours*

*Maximum Marks : 70*

**Note :** (i) *Attempt any seven questions.*  
(ii) *All questions carry equal marks. Use of calculator is permitted.*

1. Distinguish between monopoly and monopolistic market. Explain how to determine the prices in short run under monopolistic market ? 10
2. Why the demand function is negatively sloped ? Explain with exceptions. 10
3. Write short notes on **any two** of the followings : 2x5=10
  - (a) Economies and Diseconomies of scale.
  - (b) Increase and decrease in supply.
  - (c) Private cost and social cost (with examples)
4. What is deflation ? When does deflationary gap can arise in an Economy ? Discuss the methods to control the deflationary in an economy. 10

5. Discuss Equilibrium Price. Which among the two (Demand/Supply) predominantly determine the equilibrium price ? 10

6. Calculate AFC, AVC, MC and AC from the followings : 10

Units	1	2	3	5	8
TC	10	30	75	175	475

7. Explain the followings : (with graph) 10

(a) Least cost combination.

(b) Break - even - point.

8. Explain Returns to scale of production. (with graph) 10

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