

MBA
(SEM 1st) THEORY EXAMINATION 2018-19
MANAGERIAL ECONOMICS

Time: 3 Hours

Total Marks: 100

Note: 1. Attempt all Sections. If require any missing data; then choose suitably.

SECTION A

1. Attempt *all* questions in brief. 2 x 10 = 20
- a. What is Managerial Economics?
 - b. Is Managerial Economics a normative science?
 - c. What is meant by demand?
 - d. What is income elasticity?
 - e. What do you mean by cross demand?
 - f. What is supply?
 - g. What do you mean by production function?
 - h. What is Sunk Cost?
 - i. Give some examples of Fixed Cost?
 - j. What do you mean by short period and long period?

SECTION B

2. Attempt any *three* of the following: 10 x 3 = 30
- a. Discuss the scope of Managerial Economics.
 - b. What do you mean by price-elasticity of demand? Also explain the types of price elasticity.
 - c. Discuss the cost output relationship in short run.
 - d. What do you mean by Perfect Competition? Also explain its main characteristics.
 - e. What is inflation? Explain demand-pull inflation.

SECTION C

3. Attempt any *one* part of the following: 10 x 1 = 10
- (a) Discuss the salient features of managerial economics.
 - (b) How managerial economics differs from economics?
4. Attempt any *one* part of the following: 10 x 1 = 10
- (a) Why demand curve slopes downward? Explain.
 - (b) What is the significance of demand forecasting in business decision making?
5. Attempt any *one* part of the following: 10 x 1 = 10
- (a) What is elasticity of supply? Also explain the types of elasticity of supply.
 - (b) Explain the different stages of law of variable proportions with the help of a diagram.
6. Attempt any *one* part of the following: 10 x 1 = 10
- (a) What are the main characteristics of monopolistic competition? How pricing decision are taken under this market structure?
 - (b) Discuss the factors which are responsible for monopoly.

7. Attempt any *one* part of the following:

10 x 1 = 10

- (a) Define national income. Describe the various methods of measuring national income.
- (b) How monetary and fiscal policies are effective in controlling trade cycles in a developing economy?

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Managerial Economics

*Time: 3 Hours**Total Marks: 100***Note:** 1. Attempt all Sections. If require any missing data; then choose suitably.**SECTION A**

- 1. Attempt all questions in brief. 2 x 10 = 20**
- a. Define Managerial Economics.
 - b. What do you mean by Micro Economics?
 - c. What do you understand by demand?
 - d. What is elasticity of demand?
 - e. What do you mean by Cross Elasticity?
 - f. What do you understand by supply?
 - g. Write Cobb-Douglas production function?
 - h. What do you mean by past cost?
 - i. Give some examples of variable cost.
 - j. What do you mean by the term market in economics.

SECTION B

- 2. Attempt any three of the following: 10 x 3 = 30**
- a. How is Managerial Economics, related to Economics, Mathematics and Statistics?
 - b. What is law of demand? Also Explain some exceptions to the law of demand.
 - c. Explain the law of variable proportion with the help of suitable diagram.
 - d. Define monopoly. What is the reason of monopoly?
 - e. What do you mean by cost-push inflation? Explain it with the help of a suitable diagram.

SECTION C

- 3. Attempt any one part of the following: 10 x 1 = 10**
- (a) Discuss the scope of managerial economics.
 - (b) Differentiate between managerial economics & economics.
- 4. Attempt any one part of the following: 10 x 1 = 10**
- (a) What do you mean by income elasticity? Also explain the type of income elasticity.
 - (b) Discuss the different factors which affects the demand.
- 5. Attempt any one part of the following: 10 x 1 = 10**
- (a) What do you mean by isoquants? Also discuss the different types of isoquants.
 - (b) What do you mean by law of supply? Also discuss its limitations.
- 6. Attempt any one part of the following: 10 x 1 = 10**
- (a) Why is a firm under perfect competition a price-taker and not a price-maker?
 - (b) Define oligopoly. Explain how prices and output decision are made in an oligopolistic market.
- 7. Attempt any one part of the following: 10 x 1 = 10**

- (a) Define Inflation. Also explain the types of Inflation.
- (b) What is a business cycle? Describe the various phases of a business cycle.

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