PAPER ID-310996

Roll No:

MBA
(SEM I) THEORY EXAMINATION 2020-21
MANAGERIAL ECONOMICS

Time: 3 Hours *Total Marks: 70*

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

SECTION A

1. **Attempt *all* questions in brief.** 2 x 7 = 14

a.	Define managerial economics.
b.	What is opportunity cost principle?
c.	State the law of demand and its exceptions.
d.	Point out the uses of supply analysis in business decision.
e.	Define actual cost and sunk cost.
f.	What is price penetration and price skimming?
g.	Define GDP and NNP.

SECTION B

2. **Attempt any *three* of the following:** 7 x 3 = 21

a.	Explain the role of incremental principle and equi-marginal principle in managerial decision making.
b.	Describe different survey methods used for demand forecasting in business economics.
c.	What is production function? State law of return to scale with its causes.
d.	Explain the features of monopolistic competition and how the prices changes from short run to long run monopolistic competition?
e.	What is national income? Explain different methods of measuring national income. Which method of measuring national income is used in India?

SECTION C

3. **Attempt any *one* part of the following:** 7 x 1 = 7

(a)	Differentiate between micro and macro economics and their relevance in managerial decision making.
(b)	What is utility? Discuss the concept of ordinal utility with the help of indifference curve analysis.

4. **Attempt any *one* part of the following:** 7 x 1 = 7

(a)	Explain the concepts of elasticity of demand with its implications in managerial decision making.
(b)	What is demand? Discuss determinants of demand and illustrate them with demand function concept.

5. **Attempt any *one* part of the following:** 7 x 1 = 7

(a)	What is total cost, marginal cost and average cost? Explain the concept of short run cost output relationship with the help of diagram.
(b)	Describe the law of diminishing returns in production and its application in decision making.

6. **Attempt any *one* part of the following:** 7 x 1 = 7

(a)	What is collusive oligopoly? How cartels are used for making collusive oligopoly successful?
(b)	Point out the features of perfect competition and how the prices are determined in perfect competition market under different time periods.

7. **Attempt any *one* part of the following:** 7 x 1 = 7

(a)	Define inflation. Explain demand pull and cost push inflation with its causes and control measures
(b)	Explain various phases of business life cycle with their features.