

Roll No.

Total Pages : 3

452103

December, 2019

**MBA (Executive) - I SEMESTER
Managerial Economics (MBA (E)/103)**

Time : 3 Hours]

[Max. Marks : 75

Instructions :

1. *It is compulsory to answer all the questions (1.5 marks each) of Part-A in short.*
2. *Answer any four questions from Part-B in detail.*
3. *Different sub-parts of a question are to be attempted adjacent to each other.*

PART - A

1. (a) Write a short note on substitution effect on consumer equilibrium. (1.5)
- (b) Define Managerial Economics. (1.5)
- (c) Why two Indifference Curves can never intersect each other? (1.5)
- (d) What is the difference between Indifference curve and Iso quants curve? (1.5)

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- (e) Write the formula of cross elasticity of demand. (1.5)
- (f) Name the different parts of marginal cost in short run of production. (1.5)
- (g) Write a short note on shut down point. (1.5)
- (h) Explain any *one* determinant of economic development with example. (1.5)
- (i) How FDI effect Indian Economy? (1.5)
- (j) Explain the main feature of Managerial Economy. (1.5)

PART -B

- 2. (a) How concept of consumer surplus can be applied to pricing decisions of firms? (10)
- (b) What is the scope of managerial economics? (5)
- 3. (a) What are the reasons of Law of Demand? (5)
- (b) Explain consumer equilibrium with the help of Indifference curve? Also demonstrate the effect of change in price and income? (10)
- 4. Explain price elasticity of demand with example? What is the use of price elasticity of demand for managers? (15)

5. (a) What is the difference between law of return to scale and law of variable proportion? (5)
- (b) Explain the different types of return to scale? (10)
6. (a) Explain the different concept of cost in long run. (5)
- (b) How price and output decisions are taken in to monopolistic market? (10)
7. What are the different types of Inflation? What are the reasons of it? How it can be controlled? (15)
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