

Roll No.

Total No. of Pages : 02

Total No. of Questions : 10

**MBA(IB) (Sem.-1)**  
**MANAGERIAL ECONOMICS**

Subject Code : MBA/102/18

M.Code : 75403

Date of Examination : 13-06-2024

Time : 3 Hrs.

Max. Marks : 60

**INSTRUCTIONS TO CANDIDATES :**

1. SECTION-A contains EIGHT questions carrying TWO marks each and student has to attempt ALL questions.
2. SECTION-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY and consist of ONE Case Study carrying TWELVE marks.

**SECTION-A**

1. Answer briefly :

- a) PPC
- b) Cross Demand
- c) Marginal Rate of Substitution
- d) Producer Equilibrium
- e) Average Revenue
- f) Supply Curve
- g) Propensity to Consume
- h) Demand Pull Inflation.

**SECTION-B**

**UNIT-I**

2. What do you mean by Managerial Economics? Explain role of Managerial Economics in decision making.

3. Explain the Concept of Demand Forecasting. Why Demand Forecasting is required? Explain different methods of Forecasting Demand.

#### UNIT-II

4. Elaborate Shorty Run and Long Run Cost Theory.
5. Explain relationship between Elasticity of Demand and Revenue Curves. Why is it important to study this relationship?

#### UNIT-III

6. What is Monopoly? How Price and Output is determined under Monopoly in short run and long run?
7. What is Rent? Explain different theories of determination of Rent.

#### UNIT-IV

8. Explain Keynes Psychological Law of Consumption and its Importance.
9. What is Trade Cycle? Explain different theories of Trade Cycle.

#### SECTION-C

10. **Case Study:**

**The demand function for beer in a city  $Q_d = 400 - 4P$**

Where  $Q_d$  = the quantity demanded of beer (in '000 bottles per week)

P = the price of beer per bottle

**Questions :**

- a) Construct a demand curve assuming price Rs. 10, 12, 15, 20 and 25 per bottle.
- b) At what price would demand be zero?
- c) If the producer want to sell 3,80,000 bottles per week, what price should it charge?

**NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.**