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 do you mean by Managerial Economics?
   b.   What is opportunity cost?
   c.   What do you mean by income-demand?
   d.   Define cross-elasticity.
   e.   What do you mean by law of supply?
   f.   What do you mean by long-run and short-run in managerial economics?
   g.   What do you mean by historical cost and replacement cost?
   h.   What is monopoly?
   i.   What do you mean by price discrimination?
   j.   What is time concept in managerial economics.

SECTION B

2.   **Attempt any *three* of the following:**   **10 x 3 = 30**

   a.   Define managerial economics. Discuss the relationship of managerial economics with other disciplines.
   b.   State the law of demand. What are the exceptions to it?
   c.   Explain the concept of production function with the help of two-variable input case.
   d.   Discuss the meaning and main features of monopolistic market situation.
   e.   Write a short note on ill effects of a business cycle.

SECTION C

3.   **Attempt any *one* part of the following:**   **10 x 1 = 10**

   (a)   Discuss the main characteristics of Managerial Economics.
   (b)   How Managerial Economics differs from Economics.

4.   **Attempt any *one* part of the following:**   **10 x 1 = 10**

   (a)   Explain the important determinants of demand.
   (b)   What do you understand by a change in demand?

5.   **Attempt any *one* part of the following:**   **10 x 1 = 10**

   (a)   Explain the cost and output relationship in short-run.
   (b)   Explain the different types of isoquants on the basis of substitutability of inputs.

6.   **Attempt any *one* part of the following:**   **10 x 1 = 10**

   (a)   What do you mean by perfect competition? Explain main characteristics of perfectly competitive market structure.
   (b)   Explain the kinked demand curve hypothesis of oligopoly market.

7.   **Attempt any *one* part of the following:**   **10 x 1 = 10**

(a) Explain the concept of national income and discuss its relevance to business.
(b) Explain the meaning and types of inflation.