Roll No. | | | | | | | | | | | | **Total No. of Pages : 02**

Total No. of Questions : 10

MBA / MBA(IB) (Sem.–1)

MANAGERIAL ECONOMICS

Subject Code : MBA-102-18

M.Code : 75403

Date of Examination: 04-01-2025

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTIONS TO CANDIDATES :

1. **SECTION-A contains EIGHT questions carrying TWO marks each and students 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) Demand function

   b) Consumer Equilibrium

   c) Isoquants

   d) Returns to scales

   e) Nominal interest rate

   f) Foreign trade

   g) Non-collusive oligopoly

   h) Psychological Law of consumption

SECTION-B

UNIT-I

2. What do you understand by elasticity of demand? Discuss the factors determining the elasticity of demand.

3. What is demand forecasting? Explain the various techniques used for demand forecasting.

UNIT-II

4. Explain the law of variable proportion. What are the reasons for the three phases of law of variable proportions?

5. What do you understand by economics and diseconomies of scales? Also explain reasons for economics of scale.

UNIT-III

6. What do you mean by monopolistic competition? How equilibrium is determine in monopolistic competition?

7. "*Firms are price taker not price maker"* in perfect competition market. Comment.

UNIT-IV

8. What is consumption function? Illustrate its behavior using a suitable diagram.

9. What precaution are necessary while estimating national income by value added or product methods?

SECTION-C

10 Attempt following case study:

Economists believe that very high rates of inflation and hyperinflation are harmful and are caused by an excessive growth of the money supply. Views on which factors determine low to moderate rates of inflation are more varied. Low or moderate inflation may be attributed to fluctuations in real demand for goods and services, or changes in available supplies such as during scarcities. However, the consensus view is that a long-sustained period of inflation is caused by money supply growing faster than the rate of economic growth.

a) *"Inflation is positive for the economic growth".* Comment.

b) How government deals with the situation of inflation?

c) *"Inflation has a direct relation with the aggregate demand".* Comment.

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.