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 : 16-06-2025

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. **Write a short note on the following:**

   a. Managerial Economics

   b. Demand Function

   c. Indifference Curve

   d. Iso Quants

   e. Marginal Revenue

   f. Oligopoly

   g. Multiplier

   h. GDP.

SECTION - B

UNIT - I

2. Write a Note on Opportunity Cost Principle and Incremental Concept?

3. Differentiate between Price, Income and Cross Elasticity of Demand with suitable examples?

UNIT - II

4. What do you mean by Returns of Scale? Explain various reasons of Returns of Scale.

5. Explain relationship between Average Revenue, Total Revenue and Marginal Revenue. Why is it important to study this relationship?

UNIT - III

6. What is Perfect Competition? Explain its features. How Price and Output is determined under perfect Competition?

7. What is pricing? Explain different methods of pricing the Commodity.

UNIT - IV

8. What is Money Market Equilibrium? How Money Market Equilibrium is determined?

9. What is National Income? Explain different methods of determination of National Income.

SECTION - C

10. **Case Study**

Raj Kumar & Co., the cabinet-maker has estimated the following demand function ,for the steel cabinets produced by them:

Qd = 1,500 - 0.03P + 0.09AE

Where, Qd = quantity demanded of steel cabinets

P = average price of the steel cabinet

AE = the firm's advertising expenditure.

All data are on a quarterly basis. The firm currently spends Rs. 10,000 per quarter on advertising.

State the demand curve equation for the price-demand relationship. Give graphical representation assuming price variable values to be Rs. 10,000, Rs. 9,000, Rs. 8,000, Rs.7,000, and Rs. 6,000.

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.