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NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA

(An Autonomous Institute Affiliated to AKTU, Lucknow)

MBA (Integrated)

SEM: I - THEORY EXAMINATION (2023 - 2024)

Subject: Managerial Economics

Time: 2.5 Hours

Max. Marks: 60

General Instructions:

IMP: Verify that you have received the question paper with the correct course, code, branch etc.

1. This Question paper comprises of three Sections -A, B, & C. It consists of Multiple Choice Questions (MCQ's) & Subjective type questions.

2. Maximum marks for each question are indicated on right -hand side of each question.

3. Illustrate your answers with neat sketches wherever necessary.

4. Assume suitable data if necessary.

5. Preferably, write the answers in sequential order.

6. No sheet should be left blank. Any written material after a blank sheet will not be evaluated/checked.

SECTION-A

15

1. Attempt all parts:-

- 1-a. One of the following circumstances is a topic most applicable to managerial economics. (CO1) 1
- (a) The firm's decision of which depreciation method to use.
- (b) Whether or not proposed legislation will adversely affect the firm's net worth.
- (c) Whether or not a potential market is penetrable and profitable to the firm.
- (d) How the retirement of the baby-boomer generation will affect corporate tax rates.
- 1-b. If the percentage increase in quantity of a commodity demanded is its price, the price elasticity of demand is:(CO2) 1
- (a) Greater than 1
- (b) Equal to 1
- (c) Less than 1
- (d) None of these
- 1-c. When all the productive services are increased in a given proportion, the product is increased in the same proportion. This situation is called(CO3) 1
- (a) Law of increasing
- (b) Situation of constant returns
- (c) decreasing return
- (d) none of the above
- 1-d. This market does not come under imperfect competition?(CO4) 1

(a) Duopoly	
(b) Perfect Competition	
(c) Monopolistic	
(d) None of these	
1-e. A game that involves multiple moves in a series of identical situations is called a: (CO5)	1
(a) Sequential game.	
(b) Unrepeated game.	
(c) Zero sum game.	
(d) Non zero sum game.	
2. Attempt all parts:-	
2.a. Distinguish between micro and macro economics.(CO1)	2
2.b. Explain Cross Elasticity of demand. (CO2)	2
2.c. Discuss law of variable proportion.(CO3)	2
2.d. List out characteristics of Oligopoly.(CO4)	2
2.e. Payoff matrix is more helpful under which type of market structure. (CO5)	2
<u>SECTION-B</u>	15
3. Answer any <u>three</u> of the following:-	
3-a. Discuss the scope of Managerial Economics.(CO1)	5
3-b. Describe demand schedule and demand curve with suitable examples.(CO2)	5
3.c. Discuss the Law of increasing returns to scale.(CO3)	5
3.d. Briefly explain the term Oligopoly. Discuss various features Oligopoly. (CO4)	5
3.e. Discuss the various types of games under Game Theory.(CO5)	5
<u>SECTION-C</u>	30
4. Answer any <u>one</u> of the following:-	
4-a. Managerial Economics is essentially the application of microeconomic theory of business decision making. Discuss the statement. (CO1)	6
4-b. All the decisions taken by firm are under the scope of Managerial Economics. Discuss. (CO1)	6
5. Answer any <u>one</u> of the following:-	
5-a. Discuss the determinants of elasticity of demand. (CO2)	6
5-b. For a particulate product, price was reduced from Rs 50 per unit to Rs 48 in order to attract more customers. It was observed that demand for the product subsequently increased from 100 to 110 units. Calculate the price elasticity of demand.(CO2)	6
6. Answer any <u>one</u> of the following:-	
6-a. Describe the different stages in the law of variable proportions in terms of marginal product. Give reasons behind each phase with the help of a diagram.	6

(CO3)

- 6-b. Explain the term production function. Discuss various types of production function.(CO3) 6
7. Answer any one of the following:-
- 7-a. A perfectly competitive firm can earn only normal profit in the long run. Explain with suitable examples.(CO4) 6
- 7-b. Discuss the conditions when price discrimination can be done by a firm.(CO4) 6
8. Answer any one of the following:-
- 8-a. Analyze in detail the Minimax Strategy. (CO5) 6
- 8-b. Explain the Marris Theory of Managerial Enterprise. (CO5) 6

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