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**NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA**

(An Autonomous Institute)

Affiliated to Dr. A.P.J. Abdul Kalam Technical University, Uttar Pradesh, Lucknow

MBA

SEM: I - THEORY EXAMINATION (2021 - 2022)

Subject: Managerial Economics

Time: 03:00 Hours

Max. Marks: 100

## General Instructions:

1. All questions are compulsory. It comprises of three Sections A, B and C.
  - Section A - Question No- 1 is objective type question carrying 1 mark each & Question No- 2 is very short type questions carrying 2 marks each.
  - Section B - Question No- 3 is Long answer type - I questions carrying 6 marks each.
  - Section C - Question No- 4 to 8 are Long answer type - II questions carrying 10 marks each.
  - No sheet should be left blank. Any written material after a Blank sheet will not be evaluated/checked.

## SECTION A

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## 1. Attempt all parts:-

- |      |   |   |
|------|---|---|
| 1-a. | Managerial Economics is (CO1)   | 1 |
|      | <ol style="list-style-type: none"> <li>1. Dealing only micro aspects</li> <li>2. Deals with practical aspects</li> <li>3. solve business problems</li> <li>4. All of the above</li> </ol> |   |
| 1-b. | Generally demand curve have _____. (CO1)  | 1 |
|      | <ol style="list-style-type: none"> <li>1. Negative slope</li> <li>2. Positive slope</li> <li>3. Horizontal line</li> <li>4. None of these</li> </ol>                                      |   |
| 1-c. | Car and petrol are. (CO2)   | 1 |
|      | <ol style="list-style-type: none"> <li>1. Complimentary goods</li> <li>2. Substitute goods</li> <li>3. Supplementary goods</li> <li>4. None of these</li> </ol>                           |   |
| 1-d. | The distinction between variable cost and fixed cost is relevant only in (CO2)  | 1 |
|      | <ol style="list-style-type: none"> <li>1. long period</li> <li>2. short period</li> <li>3. medium term</li> <li>4. None of these</li> </ol>   |   |
| 1-e. | Want satisfying power of commodity is called. (CO3)   | 1 |
|      | <ol style="list-style-type: none"> <li>1. Demand</li> <li>2. Utility</li> <li>3. Satisfaction</li> <li>4. None of these</li> </ol>  |   |

1-f.	Product differentiation is the important feature of. (CO3)	1
	1. monopoly	
	2. perfect competition	
	3. monopolistic competition	
	4. None of these	
1-g.	The horizontal demand curve for a commodity shows that its demand is: (CO4)	1
	1. Perfectly elastic	
	2. Highly elastic	
	3. Perfectly inelastic	
	4. None of these	
1-h.	A fall in the price of a commodity leads to (CO4)	1
	1. A shift in demand	
	2. A fall in demand	
	3. A rise in the consumer's real income	
	4. None of these	
1-i.	Demand for a commodity is elastic when it has: (CO5)	1
	1. Only one use	
	2. Uses which can not be postponed	
	3. Many uses	
	4. None of these	
1-j.	The interrelation between innovations and investment opportunity was first pointed out by: (CO5)	1
	1. Schumpeter	
	2. Samuelson	
	3. T. R. Hicks	
	4. None of these	

2. Attempt all parts:-

2.a.	Distinguish between profit and revenue. (CO1)	2
2.b.	Distinguish between demand and supply. (CO2)	2
2.c.	Explain the concept of factors of production. (CO3)	2
2.d.	Distinguish between monopoly and perfect competition. (CO4)	2
2.e.	Define payoff matrix. (CO5)	2

#### SECTION B

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3. Answer any five of the following:-

3-a.	Distinguish between economics and managerial economics. (CO1)	6
3-b.	Outline the importance of managerial economics in the functioning of business organization. (CO1)	6
3-c.	Explain various types of demand with suitable examples. (CO2)	6
3-d.	Discuss the determinants of demand with relevant examples. (CO2)	6
3.e.	Define production function. Explain cobb-douglas production function. (CO3)	6
3.f.	Briefly explain various forms of market structure. (CO4)	6
3.g.	Briefly explain nash equilibrium with the help of a matrix. (CO5)	6

#### SECTION C

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4. Answer any one of the following:-

4-a.	Describe the nature and scope of managerial economics. (CO1)	10
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- 4-b. Discuss various principles of economics with suitable examples. (CO1) 10
5. Answer any one of the following:-
- 5-a. Explain demand. Describe various types of demand. (CO2) 10
- 5-b. Explain the concept of demand forecasting. Discuss methods of demand forecasting. (CO2) 10
6. Answer any one of the following:-
- 6-a. List and explain various factors affecting the cost of production in India. (CO3) 10
- 6-b. Explain the law of variable proportions with the help of total and marginal product curve. (CO3) 10
7. Answer any one of the following:-
- 7-a. Briefly explain the term oligopoly. Discuss various features of monopoly. (CO4) 10
- 7-b. Compare and contrast between supernormal profit and sub normal profit with the help of a graph. (CO4) 10
8. Answer any one of the following:-
- 8-a. Discuss advantages of cooperative strategy as compare to competitive strategy. (CO5) 10
- 8-b. Define price war. Discuss the advantages and disadvantages of price war. (CO5) 10