

**MBA 1<sup>st</sup> Semester Examination, June 2020(DDE)**

**[Session: Jan 2019-Dec 2020]**

**Subject- Managerial Economics**

**Code MBD 103**

**Time-3 Hours**

**Full Marks: 80**

*The figures in the margin indicate full marks. Candidates are required to give their answers in their own words as far as practicable*

**Group –A**

**Answer any six questions**

**5X6=30**

1. "In the business organization, managerial economics is important". Discuss
2. Discuss the relationship between managerial economics and other disciplines.
3. Discuss the difference between cross elasticity of demand and income elasticity of demand.
4. Briefly describe the marginal utility and the law of diminishing marginal utility.
5. Discuss the importance of production functions in managerial decision-making.
6. Examine the difference between information cost and inventory cost.
7. Briefly explain the managerial uses of cost analysis.
8. 'Fiscal policy is the means by which a government adjusts its spending levels and tax rates to monitor and influence a nation's economy?' Explain

**Group –B**

**Answer any five questions**

**10X5=50**

9. Briefly explain the various principles that are used in managerial economics.
10. Describe the major factors that influence the demand for products/services.
11. Discuss the difference between income and substitution effect of a price change.
12. Discuss the two collusive oligopoly models.
13. 'The long-run average cost curve is derived from short-run cost curves'- Explain
14. "The break even analysis is important to business owners and managers in determining how many units (or revenues) are needed to cover fixed and variable expenses".-Elucidate.
15. Write a short note on any one of the following:
  - a. Managerial theories of the firm
  - b. Conceptual framework of National income