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**NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA**  
(An Autonomous Institute Affiliated to AKTU, Lucknow)

**MBA**

**SEM: I - THEORY EXAMINATION (2025 - 2026)**

**Subject: Managerial Economics**

**Time: 3 Hours**

**Max. Marks: 100**

**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**

20

1. Attempt all parts:-

1-a. Indifference curve is. (CO1, K1)

1

- (a) Convex to the origin
- (b) Concave to the origin
- (c) Upward to the origin
- (d) None of the above

1-b. When marginal utility is negative, then total utility. (CO1, K1)

1

- (a) Is maximum
- (b) Starts decreasing
- (c) Increases at decreasing rate
- (d) None of these

1-c. Determinants of demand includes. (CO2, K1)

1

- (a) Price of a commodity
- (b) Cost of commodity
- (c) TVC
- (d) AFC

1-d. \_\_\_\_\_ means relationship between demand and its various determinants expressed mathematically. (CO2, K1)

1

- (a) Demand extension
- (b) Demand function
- (c) demand contraction
- (d) None of these

- 1-e. Implicit costs are. (CO3, K1) 1
- (a) equal to total fixed costs.
  - (b) comprised entirely of variable costs.
  - (c) payments for self-employed resources.
  - (d) always greater in the short run than in the long run.
- 1-f. Production may be defined as an act of. (CO3, K1) 1
- (a) Creating utility
  - (b) Earning profit
  - (c) satisfaction
  - (d) none of the above
- 1-g. Firms in perfect competition face a: (CO4, K1) 1
- (a) Perfectly elastic demand curve
  - (b) Perfectly inelastic demand curve
  - (c) Perfectly elastic supply curve
  - (d) Perfectly inelastic supply curve
- 1-h. In case of supernormal profit, position of AC curve is: (CO4, K1) 1
- (a) Above price line
  - (b) Below price line
  - (c) Tangent to price line
  - (d) parallel to price line
- 1-i. In the oligopoly price-fixing game, the payoffs are the (CO5, K1) 1
- (a) Reputations of the firms.
  - (b) Sales of the firms
  - (c) Profits of the firms.
  - (d) Market shares of the firms
- 1-j. Demand for a commodity is elastic when it has: (CO5, K1) 1
- (a) Only one use
  - (b) Uses which can not be postponed
  - (c) Many uses
  - (d) None of these

2. Attempt all parts:-

- 2.a. Differentiate between economics and managerial economics. (CO1, K2) 2
- 2.b. Define consumer demand. (CO2, K2) 2
- 2.c. List the fixed factors in a manufacturing organization. (CO3, K2) 2
- 2.d. Explain perfect competition. (CO4, K2) 2
- 2.e. Define payoff matrix. (CO5, K2) 2

### **SECTION-B**

30

3. Attempt all parts:-

3.a. Answer any one of the following:-

- 3.a.(i) Define utility. Explain types of utility with suitable examples. (CO1, K2) 6

3.a.(ii)	Demonstrate the scope of managerial economics. (CO1, K2)	6
3.b.	Answer any one of the following:-	
3.b.(i)	Elaborate on Qualitative methods on Demand forecasting. (CO2, K2)	6
3.b.(ii)	List and explain factors affecting demand of luxury products in India. (CO2, K4)	6
3.c.	Answer any one of the following:-	
3.c.(i)	Analyze the reasons for increasing return to scale. (CO3, K4)	6
3.c.(ii)	Define isoquant. Describe properties of isoquant. (CO3, K2)	6
3.d.	Answer any one of the following:-	
3.d.(i)	Define market. Distinguish between perfect market and imperfect market. (CO4, K2)	6
3.d.(ii)	Explain the demand curve in perfect competition. (CO4, K2)	6
3.e.	Answer any one of the following:-	
3.e.(i)	Outline the differences between pure strategy and mixed strategy. (CO5, K2)	6
3.e.(ii)	Briefly explain asymmetric information. Describe the factors causing asymmetric information in a market. (CO5, K4)	6
<b>SECTION-C</b>		<b>50</b>
4.	Answer any <u>one</u> of the following:-	
4-a.	Define managerial economics. Discuss the important factors to make India a developed economy. (CO1, K4)	10
4-b.	Critically analyze the discounting principle and opportunity cost principle with example. (CO1, K4)	10
5.	Answer any <u>one</u> of the following:-	
5-a.	Determine the 3-year moving averages for the yearly sales data of a company over a 10-year period, from 2001 to 2010. The sales figures (in thousands) for each year are as follows: 8 in 2001, 9 in 2002, 8 in 2003, 10 in 2004, 9 in 2005, 12 in 2006, 13 in 2007, 14 in 2008, 12 in 2009, and 15 in 2010. (CO2, K4)	10
5-b.	Explain demand. Describe various types of demand. (CO2, K2)	10
6.	Answer any <u>one</u> of the following:-	
6-a.	List and explain various factors affecting the cost of production in India. (CO3, K4)	10
6-b.	Define manufacturing. Identify the reasons behind shifting manufacturing plants from developed countries to countries like India and China. (CO3, K4)	10
7.	Answer any <u>one</u> of the following:-	
7-a.	A firm operates in a monopolistic market. Explain the relationship between average revenue and marginal revenue and their significance in profit maximization strategies. (CO4, K4)	10
7-b.	Briefly explain monopoly. Compare and contrast perfect competition and monopoly. (CO4, K2)	10
8.	Answer any <u>one</u> of the following:-	
8-a.	Explain the concept of game theory. Discuss various types of strategies. (CO5, K2)	10
8-b.	Define Strategy. Outline the differences between minmax strategy and maxmin strategy with an example. (CO5, K2)	10