NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA

(An Autonomous Institute Affiliated to AKTU, Lucknow)

MBA (Integrated)

SEM: I - CARRY OVER THEORY EXAMINATION - JUNE 2023

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.   Marginal utility refers to (CO1)   1

(a) the total satisfaction derived from all the units of the product consumed.

(b) the satisfaction that an individual receives on average from consuming a product.

(c) the change in satisfaction resulting from consuming one more unit or one less unit of the product.

(d) the dissatisfaction that is derived from not using an additional unit of the product.

1-b.   _____ shows the change in quantity demanded as a result of a change   1
in consumer income. (CO2)

(a) Price elasticity

(b) Cross elasticity

(c) Income elasticity

(d) None of these

1-c.   Production may be defined as an act of (CO3)   1

(a) Creating utility

(b) Earning profit

(c) satisfaction

(d) none of the above

1-d.   A firm that is the sole seller of a product without close substitutes is called.   1
(CO4)

(a) Monopoly

(b) Oligopoly

(c) Competition

(d) None of these

1-e.   Sales Maximisation concept is given by —–. (CO5)   1

(a) Samuelson

(b) Adam smith

(c) Marshall

(d) Baumol

2. Attempt all parts:-

2.a.   Distinguish between economics and managerial economics. (CO1)   2

2.b.   Explain Cross Elasticity of demand. (CO2)   2

2.c.   Discuss the short run production function. (CO3)   2

2.d.   Show the shape of demand curve under perfect competition. (CO4)   2

2.e.   Explain pure strategy. (CO5)   2

SECTION B   15

3. Answer any three of the following:-

3-a.   Write a brief note on Discounting Principle. (CO1)   5

3-b.   Explain demand. Describe various types of demand. (CO2)   5

3.c.   Discuss the Law of diminishing returns to scale. (CO3)   5

3.d.   Define profit. Describe the differences between supernormal profit and sub   5
normal profit with the help of a graph. (CO4)

3.e.   Write a note on Nash Equilibrium. (CO5)   5

SECTION C   30

4. Answer any one of the following:-

4-a.   Discuss the slope and properties of Indifference curve. (CO1)   6

4-b.   Differentiate between opportunity cost and Incremental cost. (CO1)   6

5. Answer any <u>one</u> of the following:-

5-a.   Explain demand forecasting. Discuss the objectives of demand forecasting with   6
examples.(CO2)

5-b.   Discuss the advantages and disadvantages of using survey method for demand   6
forecasting. (CO2)

6. Answer any <u>one</u> of the following:-

6-a.   Define cost. Discuss various types of cost. (CO3)   6

6-b.   Identify the reasons for increasing return to factors and diminishing return to   6
factors. (CO3)

7. Answer any <u>one</u> of the following:-

7-a.   Briefly explain about perfect competition. Graphically show the profit   6
maximizing equilibrium of a firm under perfect competition in the short
run.(CO4)

7-b.   Bring out various reasons of monopoly with examples. (CO4)   6

8. Answer any <u>one</u> of the following:-

8-a.   Discuss the noncooperative and cooperative games with reference to   6
prisoner's Dilemma. (CO5)

8-b.   Discuss the four different categorization of profits under Williamson Theory.   6
(CO5)