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PG/1st Sem/MBA/25

2025

MBA 1st Semester Examination

MBA

Paper : MBAC402X0

[Managerial Economics]

Full Marks : 100

Time : Three Hours

*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 *eight* questions : $5 \times 8 = 40$

1. Define managerial economics. Explain the different types of managerial decisions. 2+3
2. What are the different determinants of demand? Explain the relation between individual demand and market demand curves. 2+3
3. Explain the concept of income elasticity of demand. State the difference between a normal good and an inferior good. 2+3
4. Explain the three stages of production.

P.T.O.



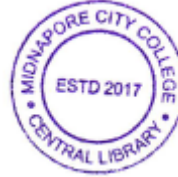
(2)

5. Explain the shape of the indifference curve if two goods are perfect substitutes.
6. Distinguish between internal and external economies of scale.
7. Write the features of an oligopoly market. Distinguish between collusive and non-collusive oligopoly. 3+2
8. Distinguish, with the help of a diagram, between the shut-down point and break-even point of a firm.
9. Explain the advantages of international trade.
10. Differentiate with examples between demand pull inflation and cost push inflation.
11. List the various types of monetary policy tools that RBI can use to control money supply in the economy.
12. Explain the expenditure method of national income accounting. Write its limitations. 4+1

Group - B

Answer any *four* questions : 10×4=40

13. Define indifference curve and budget line. Explain how a consumer attains equilibrium using these. 2+8
14. (a) With the help of a diagram, explain the relationship between Average Product (AP) and Marginal Product (MP).
(b) Explain the long run returns to scale of a firm. 5+5



(3)

15. Explain the determination of the break-even point. Discuss the managerial uses of break-even analysis. 8+2
16. State the items in Current Account and Capital Account in the Balance of Payments. Explain why an economy may have Balance of Trade deficit but Balance of Payment surplus. 4+6
17. Explain the phases of the business cycle. How can fiscal and monetary policies be used to control it? 5+5
18. Write short notes on any *two* of the following : $5 \times 2 = 10$
- (a) Price discrimination and dumping
 - (b) Problem of asymmetric information
 - (c) Externalities and social optimum
 - (d) Elasticity of supply and its determinants

Internal Assessment : 20 marks
