



GIET UNIVERSITY, GUNUPUR – 765022
MBA (First Semester) Regular Examinations, January – 2024
23MBAPC11002 - Managerial Economics

Time: 3 hrs

Maximum: 60 Marks

(The figures in the right hand margin indicate marks)

PART – A**(2 x 5 = 10 Marks)**

Q.1. Answer <i>ALL</i> questions	CO #	Blooms Level
a. Define marginal utility.	CO1	K1
b. What is Delphi method?	CO2	K1
c. Define Iso- quants.	CO3	K1
d. Sketch out the decreasing returns to scale.	CO4	K4
e. Differentiate public goods & social goods	CO5	K4

PART – B**(10 x 5 = 50 Marks)**Answer *ALL* questions

	Marks	CO #	Blooms Level
2. a. Discuss the different roles of managerial economist in detail.	5	CO1	K2
b. Explain how managerial economics integrates economic theory with business practice.	5	CO1	K2
(OR)			
c. An accountant was assigned the job of estimating profits; he collected the following information from the book of accounts and arrived at a profit of Rs. 150,000 as shown below: The firm's total revenue is Rs. 10,00,000; material cost Rs. 5,00,000, salaries & wages Rs. 2,00,000; interest payments Rs. 100,000; miscellaneous expenses Rs. 50,000 and also the economist ascertained additional information such as own factory building annual rent Rs. 72,000; assume owner manager annual salary Rs. 1,00,000; he invested Rs. 2,00,000 of his own funds. The banks pay an interest @5% per annum on deposit. Calculate the accounting and economic profit of the owner?	5	CO1	K4
d. Differentiate between managerial economics and microeconomics.	5	CO1	K4
3.a. Explain the nature and scope of managerial economics.	5	CO1	K2
b. Investigate the role of managerial economist in business decisions.	5	CO1	K6

(OR)

- c. What is price elasticity of demand? Explain the various types of price elasticity. 5 CO2 K2
- d. Distinguish between the individual demand and market demand with diagrams. 5 CO2 K4
- 4.a. Explain and illustrate the controversy between expansion and contraction of demand. 5 CO2 K2
- b. Discuss the various types of demand in detail. 5 CO2 K2

(OR)

- c. Explain measurement of elasticity from the following information: 5 CO2 K2

Price	Quantity	Price	Quantity	Price	Quantity
10	1000	10	900	10	1000
09	2000	09	1000	09	1050
08	3000	08	1125	08	1100

- d. Explain the law of supply and its exceptions. 5 CO2 K2
- 5.a. Discuss the production function with one variable inputs with its assumptions. 5 CO3 K2
- b. Define isoquants. Describe the types of isoquants. 5 CO4 K2

(OR)

- c. Discuss the cost output relationship in short and long run. 5 CO4 K2
- d. Describe the price determinations in a monopolist firm. 5 CO5 K2
- 6.a. Discuss the collusive and non-collusive Oligopoly with the diagrammatic framework. 5 CO5 K2
- b. Define national income. Discuss the functions of GDP, GNP, NDP, NNP and Personal Income. 5 CO6 K2

(OR)

- c. Investigate the importance of Stabilization policies. 5 CO6 K6
- d. Analyse the phases of business cycles and its applications. 5 CO6 K4

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