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Total No. of Questions: 10

Total No. of Pages: 02

**MBA/MBA (IB) (Sem. 1)**  
**MANAGERIAL ECONOMICS**  
**Subject Code: MBA-105**  
**Paper ID: C0105**

Time: 3 Hrs.

Max. Marks: 60

**INSTRUCTIONS TO CANDIDATES:**

1. Section A contains SIX questions carrying FIVE marks each and students have to attempt any FOUR questions.
2. Section B contains FOUR sub sections. Attempt ONE question from every subsection. Each carries EIGHT marks.
3. Section C is COMPULSORY consisting of carrying EIGHT marks each.

**SECTION A**

1.

Diagrammatically explain Production Possibility Curve.  
Critically evaluate Law of Diminishing Marginal Utility.  
Explain under what circumstances law of demand is not applicable.  
Explain diagrammatically short run traditional theory of cost.  
Write a detailed note on Prisoner's Dilemma.  
What do you know about Philips Curve?

**SECTION B**

**Sub-section: I**

2. "Managerial Economics follow an Inter-disciplinary approach". Comment in the light of nature of managerial economics.
3. What do you mean by Marginal rate of substitution? Discuss consumer's equilibrium with indifference curve.

**Sub-section: II**

4. What are the various techniques of Demand Forecasting?
5. What is short run Production Function? Explain Law of Production when only one factor of production is variable.

**Sub-section: III**

6. Compare and contrast Monopoly equilibrium with equilibrium under Perfect Competition in short run.
7. Discuss with diagrams firm and industry equilibrium under monopolistic competition in short run and long run.

**Sub-section: IV**

8. Explain in detail the various measures of National Income.
9. What is Inflation? Explain its effects.

**SECTION C**

10. Modern retail has entered India as seen in multi-storeyed malls and huge complexes offering shopping, entertainment and food under one roof. The Indian retailing sector is at inflexion point where the growth of organized retailing and growth in the consumption by the Indian population is about to take a higher growth trajectory.

A large young working population with median age of 24 years, nuclear families in urban families in urban areas, increase in disposable income levels, consumer awareness and propensity to spend, along with increasing working- women population and emerging opportunities in the services sector are going to be the key growth drivers of the organized retail sector in India.

The modern consumers prefer the convenience of centrally located stores with ample parking space, variety of brands and a good ambiance. They now want to minimize time spent and maximize the pleasures derived. And retail is encashing on all these factors to its own advantage.

**Question:**

Discuss the role of non-price determinants in affecting consumer preferences.

Discuss the phrase "consumer is sovereign" in the background of the above caselet.