

MBA 1st Sem.
MB - 105: Managerial Economics

Time Allowed – 3 Hrs**Maximum Marks – 60****Instruction to Candidates**

- 1) Section – A is **compulsory**.
- 2) Attempt any **Four** questions from section – B.

Section – A**Q1.****(10 x 2 = 20 marks)**

- a) Differentiate between Micro Economics and Macro Economics.
- b) Define Cross Elasticity of Demand.
- c) What is marginal cost?
- d) What are isoquant curves?
- e) Give features of monopolistic competition.
- f) Define gross domestic product at market price.
- g) Give limitations of Keynesian theory.
- h) Explain product differentiation?
- i) Define fiscal policy.
- j) What are open market operations?

Section – B**(4 X 10 = 40 marks)**

Q2. Discuss the principles of economics which help in effective managerial decision making?

Q3. What is price elasticity of demand? Explain its degrees.

Q4. What are the important characteristics of Perfect Competition? Explain the equilibrium of a perfectly competitive firm in the short run?

Q5. What are selling costs? How do they influence the equilibrium of firm operating under conditions of monopolistic competition?

Q6. Describe the instruments of monetary policy?

Q7. Explain the measures to control trade cycles.

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