No. of Printed Pages—2

2N (MEC/ME)

[21 HRKP1S(N)–22A]

DBM/MCOM/PGDBM/MBA 1st Semester (New) Exam., 2021 (W)

MANAGERIAL ECONOMICS

[PGDBM/PGCM/PGBA S1 01]

Full Marks : 70/80

Time : 3 hours

The figures in the margin indicate full marks for the questions

Note : (a) Learners admitted in 2020 and 2021 are to answer *70* Marks (Question Nos. **1** to **4**).

(b) Learners admitted in and before 2019 are to answer all the questions (Question Nos. **1** to **5**), i.e., for *80* Marks.

1. Answer any *five* from the following questions (each in around *50* words) : 2×5=10

(a) Define the term 'giffen good'.

(b) Mention two statistical methods of demand forecasting.

(c) Mention any two situations in which the law of supply may not operate.

(d) What is meant by returns to scale?

(e) Mention the conditions of long-run equilibrium of a monopolistic firm.

(f) What is circular flow of national income?

2. Answer any *four* of the following questions (each in around *100* words) : 3×4=12

(a) Explain the concept of average propensity to consume and marginal propensity to consume.

(b) Explain three functions of managerial economics.

(c) State the different methods of measuring national income.

(d) Define internal economies of scale by citing two examples. 1+2=3

(e) Why is the study of supply important to a manager?

(Turn Over)

3. Answer any *four* from the following questions (each in around *200* words) : 6×4=24

(a) Discuss the price and output determination of an industry in the short run under perfect competition.

(b) Discuss the various phases of business cycles.

(c) Explain the effect of inflation on production, farmers and wage earners.

(d) Distinguish between individual demand and market demand. Explain the process of derivation of market demand curve from individual demand schedule of two consumers.

(e) Describe the relationship between average cost and marginal cost with the help of a diagram.

4. Answer any *three* from the following questions (each in around *250* words) : 8×3=24

(a) Explain the law of variable proportions with the help of suitable diagram.

(b) Critically discuss the Marris model of maximization of growth.

(c) Show the relationship between average revenue, marginal revenue and total revenue in a perfectly competitive market. Based on the relationship, derive the AR, MR and TR curves. 4+4

(d) Describe how monopoly firm attains equilibrium in the long run.

The following question is *NOT* for the learners admitted in 2020 and 2021 batches :

5. Answer any *one* from the following questions (in around *300* words) : 10

(a) Explain the Keynesian consumption function with its implications.

(b) Derive the consumer's equilibrium using the indifference map and the budget line.

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