MP-102

June - Examination 2026

Master of Business Administration (Ist Year) Examination

Managerial Economics

Paper : MP-102

[*Time: **3** Hours*] [*Maximum Marks: **80***]

Note :- The question paper is divided into three Sections A, B and C. Write answers as per the given instructions in each section.

Section-A **8×2=16**

(Very Short Answer Type Questions)

Note :- Answer **all** questions. As per the nature of the question delimit your answer in one word, one sentence or maximum up to **30** words. Each question carries **2** marks.

1. (i) What is Elasticity of Demand?

   (ii) State any two objectives of a production function.

   (iii) What is Monopoly?

   (iv) Define Price Discrimination.

   (v) State the advantages of Cost-plus Pricing.

   (vi) Define Profit.

   (vii) What is Macroeconomic Theory?

   (viii) What is Cyclical Disequilibrium?

Section-B **4×8=32**

(Short Answer Type Questions)

Note :- Answer **any four** questions. You have to delimit your each answer maximum up to **200** words. Each question carries **8** marks.

2. Discuss the nature, scope and key characteristics of Managerial Economics and explain its relevance in business decision-making.
3. Explain the various methods of Demand Forecasting and evaluate their usefulness in predicting future market demand.
4. Discuss the major determinants of cost and explain how they influence the cost structure of a firm.

5. Explain the process of price and output determination under perfect competition, highlighting the role of market forces.
6. Describe the different forms of price discrimination and discuss the conditions necessary for their successful implementation.
7. Explain the various types of profit and discuss their significance in the functioning and growth of a business enterprise.
8. Discuss the concept of National Income and explain its importance as an indicator of economic performance.
9. Differentiate between Economic Growth and Economic Development, and explain their significance in the progress of a nation.

Section-C **2×16=32**

(Long Answer Type Questions)

Note :- Answer **any two** questions. You have to delimit your each answer maximum up to **500** words. Each question carries **16** marks.

10. Define Demand Elasticity and discuss its various types in detail. Illustrate each type with suitable examples and explain its importance in managerial decision-making.
11. Compare and contrast the Law of Variable Proportions with the Law of Returns to Scale. Explain their assumptions, stages and practical significance in production analysis.
12. Critically examine the skimming pricing and penetration pricing strategies. Discuss their suitability for pricing a new product under different market and competitive conditions.
13. Explain the concept of the circular flow of income in an economy. Discuss its different models and analyze its significance in measuring economic activity and national income.
