



# Shiksha Mandal's G. S. College of Commerce & Economics, Nagpur

An Autonomous Institution

(Affiliated to Rashtrasant Tukadoji Maharaj Nagpur University)

First Semester Master of Business Administration Examination (CBCS)

## ECONOMICS FOR MANAGERS

(MBC 1.5)

Time: 3 Hours

Maximum Marks: 80

N.B.: All questions are compulsory.

Q. 1. Answer the following question in about 150-200 words. 10

A) Explain the concept of Indifference Curve with its properties.

OR

B) You are given the following marginal utilities of goods X and Y obtained by a Consumer. Given that Price of X= Rs.5/- and Price of Y=Rs. 10/- & income=Rs. 90/-, find out the optimal combination of goods.

No. of Units Consumed of Commodity	MUX	MUY
1	30	20
2	25	18
3	20	16
4	15	14
5	10	12
6	5	10
7	1	8

Q. 2. Answer the following question in about 150-200 words. 10

A) What do you mean by Demand Forecasting? Explain the various methods of Demand Forecasting.

OR

B) The following Demand Function for Umbrellas has been estimated:

$$Q=2000+15Y - 5.5p$$

$$P=150 \text{ and } Y=15$$

Determine: 1) Price Elasticity of Demand  
2) Income Elasticity of Demand

Q. 3. Answer the following question in about 150-200 words. 10

A) Explain various Economies and Diseconomies of scale.

OR

B) Explain the behaviour of Short Run Cost Curves.

Q. 4. Answer the following question in about 150-200 words. 10

A) Explain the various Pricing Methods in practice.

OR

B) A monopolist faces a demand curve  $P=100 - 2Q$ . If MC is constant and is equal to 20, what is the amount of revenue made by the monopolist?

Q. 5. Answer the following question in about 150-200 words. 10

A) Explain the various methods of measuring National Income.

OR

B) Calculate the following from the data given below:

1. GDP at Market Prices                      2. National Income

1	Personal Consumption Expenditure	6500/-
2	Indirect taxes less subsidies	150/-
3	State Government Consumption and Investment expenditure	500/-
4	Central Government Consumption and Investment expenditure	2000/-
5	Change in Business Inventories	100/-
6	Exports	900/-
7	Net factor payment to rest of the world	100/-
8	Imports	1200/-
9	Depreciation	200/-
10	Gross private domestic fixed investment	1200/-

Q. 6. Answer the following question in about 150-200 words. 10

A) Explain the tools under Monetary Policy to Control Inflation and Deflation.

OR

B) Explain the concept and causes of Business Cycles.

Q. 7. Answer the following questions in about 75-100 words. (Any Five) 20

A) Explain the concept of Consumer Behaviour.

B) Explain the Determinants of Elasticity of Demand.

C) Define features of Cobb-Douglas Production Function.

D) Explain types of Price Discrimination.

E) State the concept of Multiplier.

F) What is Fiscal Policy?

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