BIRLA INSTITUTE OF TECHNOLOGY, MESRA, RANCHI
(END SEMESTER EXAMINATION)

CLASS: MBA/PRE-PHD   SEMESTER : I
BRANCH: MANAGEMENT   SESSION : MO/2023

SUBJECT: MT408R1 MANAGERIAL ECONOMICS

TIME: 3 Hours   FULL MARKS: 50

INSTRUCTIONS:
1. The question paper contains 5 questions each of 10 marks and total 50 marks.
2. Attempt all questions.
3. The missing data, if any, may be assumed suitably.
4. Before attempting the question paper, be sure that you have got the correct question paper.
5. Tables/Data hand book/Graph paper etc. to be supplied to the candidates in the examination hall.

			CO	BL
Q.1(a)	How does the application of managerial economics help businesses optimize their operations and enhance overall performance?	[5]	CO1	3
Q.1(b)	Compare and contrast the predictive nature & profit maximization objective of managerial economics.	[5]	CO1	4
Q.2(a)	What does law of demand state? What factors influence the demand for a product or service in a business environment?	[5]	CO2	1,2
Q.2(b)	Explain Indifference curve and discuss how budget can provide highest satisfaction.	[5]	CO2	2
Q.3(a)	Give the explanation of relevant cost curves in short run and discuss the inverted "S" feature of Variable Cost.	[5]	CO3	3
Q.3(b)	Provide an illustration of "Production function" curve of businesses within the State – of-the-Art technology.	[5]	CO3	3
Q.4(a)	What are the different types of markets in managerial economics? Highlight the distinctive variables/ dimensions which help in differentiating each market type.	[5]	CO4	1,2
Q.4(b)	Discuss the price-taking behaviour of firms in a perfectly competitive market and explain how factors such as product homogeneity and ease of entry and exit contribute to this behaviour.	[5]	CO4	3
Q.5(a)	How do economists measure national income and how national income is relevant to firm level economics?	[5]	CO5	2
Q.5(b)	Explore the factors that contribute to inflation and discuss their impact on businesses.	[5]	CO5	3,4

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