

30 DEC 2019

**M. B. A. Semester-I Examination**

**December-2019**

**Economics In Managerial Decision Making**

Marks: 70

Code:- 3122

Time: 02.30

Q-01(A), Explain law of demand. What are the exceptions to the law of demand? (14)

OR

Q-01(A) (I), Explain elasticity of demand (07)

Q-01(A) (II), Differentiate between increase and expansion and between decrease and contraction with diagram. (07)

Q-01(B) Answer following questions (Any Four) (04)

- (1) What is micro economics?
- (2) What is macro economics?
- (3) What is positive economics?
- (4) What is normative economics?
- (5) Explain marginal cost.
- (6) Explain opportunity cost.

Q-02(A), Explain equilibrium of firm and industry in perfectly competitive market. (14)

OR

Q-02(A) (I), What is oligopoly? Explain characteristics of oligopoly market. (07)

Q-02(A) (II), Discuss kinked demand curve model of oligopoly. (07)

Q-02(B), Answer following questions (Any Four) (04)

- (1) Explain firm and industry.
- (2) Draw AR and MR curve in monopoly market.
- (3) What is cartel?
- (4) What is discriminating monopoly?

(5) When price discrimination is possible?

(6) What is price rigidity?

Q-03(A), Explain consumer equilibrium with the help of ordinal approach. (14)

**OR**

Q-03(A) (I), Explain functions of money. (07)

Q-03(A) (II), Explain CPI in detail. (07)

Q-03(B) Answer following questions (Any Three) (03)

(1) What is full form of MRS.

(2) Slope of budget line shows what?

(3) What is open economy?

(4) What is the full form of GDP?

(5) Indifference curve is convex to origin. Answer yes or no.

Q-04(A) Write detailed note on Phillips Curve. (14)

**OR**

Q-04(A) (I), Should monetary and fiscal policy makers try to stabilize the economy?  
Discuss. (07)

Q-04(A) (II), Explain influence of monetary policy on aggregate demand. (07)

Q-04(B), Answer following questions (Any Three) (03)

(1) What is aggregate demand?

(2) What is fiscal policy?

(3) What is natural rate of unemployment?

(4) Who explained short run trade-off between inflation and unemployment?

(5) Name any two tools of monetary policy.