

G. S. Mandal's  
**Maharashtra Institute of Technology, Aurangabad**  
 (An Autonomous Institute )  
**END SEMESTER EXAMINATION**  
**First Year MBA -April/May 2022**

Course Code : MBA103

Course Name : Economic Analysis for Business Decision

Duration : 2 Hrs

Max. Marks : 50

Date : 09/04/2022

**Instructions :**

- i) All questions are compulsory
- ii) Assume suitable data wherever necessary and clearly state it
- iii) Figures to the right indicate full marks
- iv) Use of Simple Calculator is allowed

Questions		Marks	CO
<b>Q. 1</b>	<b>Define the following terms (Answer any 5 out of 8 (2 Marks each))</b>		
a)	Managerial Economics	2	1
b)	Normal Profit	2	1
c)	Production Function	2	1
d)	Oligopoly	2	1
e)	Barometric method of demand forecasting.	2	1
f)	Revenue Analysis	2	1
g)	The law of diminishing returns.	2	1
h)	Market Structure	2	1
<b>Q. 2</b>	<b>Short Answer Questions (Answer any 2 out of 3 (5 Marks each))</b>		
a)	Explain the points that prove Economics is science.	5	2
b)	Write a short note on imperfect competition.	5	2
c)	What are the methods for the measurement of National Income?	5	2
<b>Q. 3</b>	<b>Long Answer Questions (Solve/Answer Anyone (10 Marks))</b>		
a)	Calculate:      a. BEP                      b. Net Sales Value Direct Material Cost per unit                      Rs. 10 Direct Labour Cost per unit                      Rs. 5 Fixed Overhead                      Rs. 50,000 Variable cost @60% on direct labour Selling Price per Unit                      Rs. 25 Trade Discount                      4%	10	3

b)	Managerial economics applies economics tools and techniques to business and administrative decision-making. Justify.	10	3
<b>Q. 4</b>	<b>Long Answer Questions (Solve/Answer Anyone (10 Marks))</b>		
a)	Explain the cost output relationship in the short and long periods.	10	4, 5
b)	What is Inflation? What are the different ways to control inflation?	10	4, 5
<b>Q. 5</b>	<b>Long Answer Questions (Solve/Answer Anyone (10 Marks))</b>		
a)	How does the Business cycle impact managerial decisions? Evaluate.	10	6
b)	What is monopoly competition? How would you determine the price-output under monopoly competition?	10	6