

# CBCS SCHEME

MBA103



First Semester MBA Degree Examination, Dec.2025/Jan.2026

## Economics for Decision Making

Time: 3 hrs.

Max. Marks: 100

- Note:** 1. Answer any **FOUR** full questions from Q.No.1 to Q.No.7.  
 2. Question No. 8 is compulsory.  
 3. M : Marks , L: Bloom's level , C: Course outcomes.

		M	L	C
Q.1	a. Differentiate between a firm and an industry.	3	L1	CO1
	b. Explain the roles and responsibility of an managerial economist.	7	L2	CO1
	c. Describe Marris's Growth Maximization Hypothesis in detail.	10	L2	CO1
Q.2	a. What do you mean by elasticity of demand?	3	L1	CO2
	b. State the law of Demand. What are the exceptions to the law of demand.	7	L2	CO2
	c. Explain the types of quantitative methods of demand forecasting.	10	L2	CO2
Q.3	a. What do you mean by ISO Quant and ISO Cost curve?	3	L1	CO3
	b. State the uses of Break Even Analysis in Managerial decisions making.	7	L2	CO3
	c. Describe the causes for Diseconomies of Scale and strategies to avoid diseconomies of scale.	10	L2	CO3
Q.4	a. What is Cartel? Give example.	3	L1	CO4
	b. A firm under perfect competition is a price taker not a price maker. Explain.	7	L2	CO4
	c. Explain the features of monopolistic market structure, why product differentiation is better option for monopolistic competition.	10	L2	CO4
Q.5	a. What is Fiscal Policy? List its types.	3	L1	CO5
	b. Describe the external environment of the Indian business environment.	7	L2	CO5
	c. Explain the role of SMEs in economic development of the country.	10	L2	CO5
Q.6	a. List the objectives of Production Linked Incentive.	3	L1	CO6
	b. Describe the New economic initiatives proposed by Indian government for economic growth.	7	L2	CO6
	c. What is Aatma Nirbhar Bharat Abhiyan? How it is helpful for the industry.	10	L1	CO6
Q.7	a. What are Giffen goods. Give example?	3	L1	CO2
	b. Explain the types of Costs.	7	L2	CO3
	c. Explain the requisites of Price Discrimination in monopoly market.	10	L2	CO4

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### Compulsory Questions

Q.8	A firm sell his product at Rs 7 per unit the variable cost is 2 per unit. Fixed cost is 8,00,000. Calculate :	5	L4	CO3
	i) BEP in units and sales	5	L4	CO3
	ii) What would be the BEP if the firm spends excess of 4000 on advertisement ( Fixed cost)	5	L4	CO3
	iii) What would be profit if the firm sells 40,000units	5	L4	CO3
	iv) How much the seller would sell to earn profit of 40,000	5	L4	CO3

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