

**A-1347**

Total Pages : 3

Roll No. ....

**MS-103**

**Master of Business Administration (MBA)**

**Managerial Economics**

Examination February, 2026

Time : 2:00 Hrs.

Max. Marks : 70

*Note :-* This paper is of Seventy (70) marks divided into Two (02) Sections 'A' and 'B'. Attempt the questions contained in these Sections according to the detailed instructions given therein. *Candidates should limit their answers to the questions on the given answer sheet. No additional (B) answer sheet will be issued.*

**Section-A**

**Long Answer Type Questions** (2×19=38)

*Note :-* Section 'A' contains Five (05) Long-answer type questions of Nineteen (19) marks each. Learners are required to answer any *two* (02) questions only.

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( 1 )

P.T.O.

1. Explain the basic problems of an economy. How does the market mechanism attempt to solve these problems ? Discuss the role of government in this context.
2. What is Demand Function ? Explain the law of demand with the help of a diagram. Discuss the reasons for the downward slope of the demand curve.
3. Explain the Cardinal Utility Theory. Discuss the law of diminishing marginal utility and show how a demand curve is derived from it.
4. Explain the concept of Cost in economics. Discuss short-run and long-run cost-output relationships with suitable diagrams.
5. Explain the determination of National Income using the two-sector model. Discuss the concept and working of the multiplier.

### **Section–B**

#### **Short Answer Type Questions (4×8=32)**

**Note** :- Section ‘B’ contains Eight (08) Short-answer type questions of Eight (08) marks each. Learners are required to answer any *four* (04) questions only.

Briefly discuss any *four* of the following :

1. Income Elasticity of Demand.
2. Externalities and government intervention.
3. Isocost Line.
4. Economies of Scale.
5. Price and Output determination under Perfect Competition.
6. Duopoly model.
7. Measurement of National Income in India.
8. Credit creation by commercial banks.

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