

MANAGERIAL ECONOMICS
(CSBS 2205)

Time Allotted : 3 hrs

Full Marks : 70

Figures out of the right margin indicate full marks.

Candidates are required to answer Group A and any 5 (five) from Group B to E, taking at least one from each group.

Candidates are required to give answer in their own words as far as practicable.

Group - A
(Multiple Choice Type Questions)

1. Choose the correct alternative for the following: **10 × 1 = 10**
- (i) Managerial Economics uses
(a) Micro Economics only (b) Macro Economics only
(c) Micro and Macro both (d) None of the above.
- (ii) Implicit Cost refers to
(a) Managerial Cost (b) Total Average cost
(c) Opportunity Cost of Resources (d) None of the above
- (iii) In case of _____ demand, a slight change in the price will make greater change in demand
(a) inelastic (b) elastic
(c) perfectly elastic (d) perfectly inelastic
- (iv) Under "Law of variable proportions" a single factor is
(a) constant (b) variable
(c) both constant and variable (d) none of the above.
- (v) In 'monopolistic competition' products are
(a) heterogeneous (b) homogeneous
(c) differentiated (d) none of the above.
- (vi) Price discrimination refers to
(a) selling the same commodity at same prices to buyers
(b) selling the same commodity at different prices to buyers
(c) selling the different commodity at same prices to buyers
(d) None of the above.
- (vii) Which of the following terms indicate a mechanism used by commercial banks for providing credit to the government?
(a) Cash Credit Ratio (b) Debt Service Obligation
(c) Liquidity Adjustment Facility (d) Statutory Liquidity Ratio.

- (c) Point out the essential behavioural differences between perfect competition and monopolistic competition. [[CO1](Analyze/HOCQ)]
3 + 5 + 4 = 12

Group - D

6. (a) Write a short note on FEMA. [[CO4](Remember/LOCQ)]
(b) Identify and explain three tools of monetary policy. [[CO2](Remember/LOCQ)]
(c) Explain the sequence of links connecting an expansionary monetary policy with interest rates, intended investment, aggregate demand and output. [[CO1](Analyze/IOCQ)]
3 + 4 + 5 = 12
7. (a) What is Fiscal Policy? [[CO1](Remember/LOCQ)]
(b) Discuss the basic workings of RBI. [[CO4](Understand/LOCQ)]
(c) What are the instruments of Monetary policy were taken during Covid19 in India? [[CO6](Analyze/IOCQ)]
2 + 5 + 5 = 12

Group - E

8. (a) In which year New Economic Policy was introduced? List three objectives of the policy. [[CO4](Remember/LOCQ)]
(b) What is the difference between liberalisation and globalisation? [[CO5](Understand/LOCQ)]
(c) How Indian Economy was positively affected by NEP, 1991? [[CO4](Analyze/IOCQ)]
3 + 3 + 6 = 12
9. (a) What are the objectives of MRTP 1969? [[CO1](Remember/LOCQ)]
(b) What were the main provisions of MRTP? [[CO2](Understand/IOCQ)]
(c) Why MRTP 1969 was replaced? [[CO2](Analyze/HOCQ)]
4 + 4 + 4 = 12

Cognition Level	LOCQ	IOCQ	HOCQ
Percentage distribution	46.87	34.38	18.75

Course Outcome (CO):

After the completion of the course students will be able to

1. To appreciate the foundational concepts of managerial economics.
2. To develop a microeconomic approach to business decisions.
3. To arrive at decisions by applying concepts of microeconomics.

4. To apply the tools of managerial economics and find solutions to the complex problems of production processes.
5. To co-relate concepts and theories of microeconomics and macroeconomics.
6. To decide and choose options aimed at furthering the goals of the organization.

*LOCQ: Lower Order Cognitive Question; IOCQ: Intermediate Order Cognitive Question;
HOCQ: Higher Order Cognitive Question