



K. K. Wagh Institute of Engineering Education & Research, Nashik
(An Autonomous Institute From A.Y. 2022-23)

SUMMER-2024	
Exam Seat No.:	
Academic Year:2023-2024	Semester: I
Class: FY	Program: MBA
Branch Code: M.B.A.	Pattern: 2022
Name of Course: Managerial Economics	Course Code: MBA22105
Max. Marks:60	Duration:2.30 Hrs.

Instructions: Candidates should read carefully the instructions printed on the Question Paper and on the cover page of the Answer Book, which is provided for their use.

1. This question paper contains 3 page(s).
2. Answer to each new question is to be started on a new page.
3. Assume suitable data wherever required, but justify it.
4. Draw the neat labelled diagrams, wherever necessary.
5. The last columns indicates the Course Outcome and level of Blooms Taxonomy of the Question/sub-question.

Question No. 1 Attempt following Question

- 1a) Recall below terms. (6) CO1
- 1) Point Price Elasticity of Demand
 - 2) Arc Price Elasticity of Demand
 - 3) Cross Price Elasticity of Demand

Question No. 2 Attempt following Question

- 2a) Define Williamson's model of Marginal Discretion (6) CO2

Question No. 3 Attempt following Question

- 3a) Apply the concept of Expansion path in finding out the optimal cost. (8) CO3

OR

- 3b) Illustrate the concept Stage 1, stage 2 and stage 3 of production. (8) CO3

3c) Analyse the below data find out missing values.

(8) CO3

No of Labour	TP	MP _L	AP _L	MRP _L
5	100	C	F	K
10	200	D	G	L
15	A	30	H	M
20	B	50	I	N
25	1500	E	J	O

If MR = 1000.

OR

3d) Analyse the below data find out missing values.

(8) CO3

No of Labour	TP	MP _L	AP _L	MRP _L
10	200	Z	C	H
20	500	A	D	I
30	X	30	E	J
40	Y	45	F	K
50	1500	B	G	L

If MR = 500

Question No. 4 Attempt following Question

4a) Analyse the below data find out missing values.

(8) CO4

Output	TFC	TVC	TC	AFC	AVC	ATC	MC
0	80	0					
1	80	20					
2	80	30					
3	80	45					
4	80	80					
5	80	135					

Find Out the value of TC, AFC, AVC, ATC and MC if TFC = Total Fixed Cost, TVC = Total variable Cost, TC = Total Cost, AFC = Average Fixed Cost, AVC = Average Variable Cost, ATC = Average Total Cost, MC = Marginal Cost

Also find out the optimum combination of labour and capital for 12 units of an output if Price per labour and Price per capital is 8 and we have 80 Rs. in hand to spend. Also we know that 10 Labour and 10 unit of capital produce 12 units of output, 5 Labour and 5 unit of capital produce 12 units of output, 6 Labour and 4 unit of capital produce 12 units of output, 8 Labour and 4 unit of capital produce 12 units of output.

Also comment on cost of labour and cost of capital if 3 units of labour and units of capital produce the same level of output i.e. 12 units.

OR

4b) Analyse the below data find out missing values.

(8) CO4

Output	TFC	TVC	TC	AFC	AVC	ATC	MC
0	200	0					
2	200	40					
4	200	60					
6	200	80					
8	200	100					
10	200	150					

Find Out the value of TC, AFC, AVC, ATC and MC if TFC = Total Fixed Cost, TVC = Total variable Cost, TC = Total Cost, AFC = Average Fixed Cost, AVC = Average Variable Cost, ATC = Average Total Cost, MC = Marginal Cost

Also find out the optimum combination of labour and capital for 15 units of an output if Price per labour and Price per capital is 5 Rs. and we have 80 Rs. in hand to spend. Also we know that 10 Labours and 10 unit of capital produce 15 units of output, 5 Labours and 5 unit of capital produce 15 units of output, 6 Labour and 6 unit of capital produce 15 units of output, 9 Labours and 7 unit of capital produce 15 units of output.

Also comment on cost of labour and cost of capital if 2 units of labour and 2 units of capital produce the same level of output i.e. 15 units.

- 4c) Illustrate the concept of Long Run Cost Curve with the help of an example. (8) CO4

OR

- 4d) Illustrate the concept of Short Run Cost Curve with the help of an example. (8) CO4

Question No. 5 Attempt following Question

- 5a) Describe the concept of Multicollinearity in Regression Analysis (8) CO5

OR

- 5b) Describe the concept of Heteroscedasticity in Regression Analysis (8) CO5

- 5c) Describe Prisoner's dilemma principle. (8) CO5

OR

- 5d) Describe the various types of costs with the help of an example (8) CO5

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