

Prof Ram Meghe Institute of Technology & Research
Department of Management Studies
Semester –I (MBA)
Subject: Managerial Economics

Unit 1:topics:

1. Need, Scope,
2. Techniques
3. Application of Managerial Economics

Question Bank for the above topics:

1. What is Managerial Economics? Explain its nature and scope.
2. Explain the scope of Managerial Economics and also state its importance.
3. Show that the principle of 'equi-marginalism' is an extension of the condition of equilibrium of a consumer
4. Conceptualize managerial economics as a facilitator to managerial decision making along relevant illustration.
5. Discuss managerial economics with respect to its application in business
6. Bring out the important and application of managerial economics in profit optimization.
7. Explain the techniques of managerial economics. How is it useful for decision making process?
8. "Managerial Economics bridges the gap between economic theory and business practices" Discuss
9. Explain with the help of illustration the techniques used in Managerial Economics
10. "Managerial Economics is integration of Economics Theory with Business Practice for decision making." with reference to above, explain what economics concept are used by manager to take what types of decision in Business.
11. Explain with illustration the optimization techniques and marginal analysis that is used in Managerial Economics
12. Managerial Economics uses the theories of economics and methodologies of decision science for managerial decision making". Elaborate.
13. Identify the areas of decision making where managerial economics prescribes specific solution to the business problem.
14. Define Managerial Economics. Discuss how the managerial economics is useful in taking managerial decisions in business?
15. 'Application of managerial economics for profit optimization is a myth.' Comment
16. Managerial Economics is the discipline which deals with the application of 'economic theory to business management' comment.
17. What are the basic functions of business managers? how does economics help business managers in performing their functions?

Unit 2 :topic:

1. Utility analysis Marshal Approach
2. Demand Analysis, Function and law of Demand
3. Elasticity & forecasting of Demand
4. Law of Supply and Supply Analysis

Question Bank for the above topics:

1. Define demand and brief out its determinants
2. What do you understand by demand analysis? Explain its importance in managerial decision making.
3. Explain the law of Demand. Is it applicable to all types of goods? Justify your answer
4. What is elasticity of demand? State different types of elasticity.
5. Explain the concept "price elasticity of supply with illustration.
6. Explain the method of demand forecasting.
7. Explain the steps involved in demand forecasting.
8. Economics laws are subject to exceptions. Justify your opinion in reference to exception to law of demand
9. Explain the various kinds of price elasticity of demand with diagram
10. Analyze the time series and trend projection in demand forecasting
11. What is the law of diminishing marginal utility? Explain the law with the help of an empirical example
12. What is meant by demand forecasting? Why is it so critical for management of business firm?
13. Explain the various kinds of income elasticity of demand with diagram
14. Enumerate the uses of income elasticity of demand concept for managerial decisions
15. What do you mean by point elasticity along with the illustration and formula
16. What are the determinants of demand? Explain its significance.
17. Draw the demand curve with the help of an example.
18. Why does the individual demand curve normally slope down? Why does a market demand curve normally slope down
19. The profit –maximizing price will never be Set where demand is inelastic. True or false? Explain
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Unit 3: Topics:

1. Production and cost function
2. Production Iso-quant, Isocost, Expansion
3. Economies & diseconomies of scale

Question Bank for the above topics:

1. Define production and explain production function? What is its significance.
2. What do you mean by production function and cost function?
3. What do you mean by 'production function'? Explain the factor of production.
4. Explain with illustration the Economics of scale
5. what the diseconomies of scale
6. What is meant by opportunity cost? Give its economic significances.
7. Explain diagrammatically the concept of ISOCOST.
8. What do you understand by cost dimetion? How is it applicable to determine the cost?
9. What are the uses of ISOQUANT and ISOCOST?
10. Explain the relationship between ISOQUANT and ISOCOST?
11. What do you understand by short cost function .explain it with suitable example?
12. Define and explain Marginal rate of technical Substitution (MRTS).
13. Marginal cost is the cost of producing the 'last' unit of output. Do you agree? if not, then why not?
14. Economics of scale may either be internal or external .Explain
15. State the relation between fixed cost, variable cost, total cost, and marginal cost with illustrations.
16. Explain the law of diminishing marginal returns and provide an example of this phenomenon.
17. When the average product of labour is equal to the marginal product of labour is maximized. Do you agree?
Explain

Unit 5:Topic:

1. Perfect competition
2. Monopoly
3. Oligopoly
4. Monopolistic (short term pricing in these markets)

Question Bank for the above topics:

1. What is market? How are markets classified on the basis of degree of competition?
2. Explain the various features of a perfectly competitive market. How is price of commodity determined under it?
3. "In a perfectly competitive market no one influences the price of a commodity" discuss.
4. Discuss price determination in industry under perfect competition.
5. "There is no unique solution to the problem of determine of price and output under oligopoly". Discuss
6. What are the main features of oligopoly? Discuss in short the different oligopoly situations.
7. Explain the kinds of price leadership models as a case of imperfect collusion. Also discuss the advantage of such price leadership in oligopoly.
8. Product differentiation is an essential characteristic of oligopoly market structures. Do you agree? explain
9. The monopolistic competition is a special case of imperfect competition. It stands between monopoly and perfect competition and accordingly the pricing decisions are determined by the characteristics of both these market forms". Discuss
10. What do you mean by monopoly? Give the characteristics of monopoly. Discuss the pricing under monopoly in short run
11. Differentiate between monopoly and perfect competition.
12. Differentiate between monopolistic and oligopolistic competition.

Unit 5: Topics:

1. Profit Maximization
2. Sales maximization
3. Managerial utility model
4. Simon Satisfying Behaviour

Question Bank for the above topics:

1. Differentiate between profit maximization and sales maximization.
2. What is the significance of Simon's satisfying behavior model
3. Discuss the Marginal utility model with suitable example
4. How do you understand the concept of business profit? What kind of operational implication would arise if economic reasoning is to be followed in the measurement of business profit? Illustrate your answer with suitable example.