Executive MBA Odd Semester Examination, 2025

BUSINESS ADMINISTRATION

(1st Semester)

Course No.: EMBA-102

(Managerial Economics)

Full Marks: 70

Pass Marks: 28

Time: 3 hours

The figures in the right margin indicate full marks for the question.

SECTION-I

1. Jamina builders completed its fifth year of operation since its inception on 15.07.2020. Being located at an industrially isolated area, the organisation is dependent on local resources. The production and resource utilization for the last few quarters are presented as below :-

Quarters	Units ('000)	Fixed Investment (Assets) (₹'000)	Labour (Nos)
1	100	200	110
2	120	200	115
3	180	200	120
4	240	200	125
5	350	200	130
6	360	200	135
7	380	200	145

8	390	200	150
9	400	200	155
10	400	200	160
11	360	200	165
12	350	200	170
13	300	200	175

The management realised that the organisation, off late, is not operating at the right stage. As a result the organisation is experiening diseconomies.

Based on the above, answer the following :-

(a) Do you agree that the management is currently not operating at the right scale? Justify. 5

(b) What, according to you should be the right scale of operation? 4

(c) Based on the above facts, highlight the different scale of operation that the organisation has so far gone through. 5

2. "Efficient control of inflation through effective policies" remains as a prime objective at the core of macro economic policy of any country. Ranging from quantitative techniques to punitive and persuasive actions, monetary authority in India has come up with wide array of such techniques to make the country resilient and progressive.

(a) Based on the above discuss the various techniques of control for price changes. 7

(b) Share your understanding why inflation is considered crucial in terms of policy decision. 7

SECTION-II

Answer any three (3)

3. Compare and contrast (any two) between: 7x2=14

(a) Balance of Payment and Balance of Trade

(b) Monetary and Fiscal Policy

(c) Net National Income and Gross National Income

4. Explain the concept of Keynesian multiplier. State the relationship between Marginal Propensity to Consume (MPC) and Marginal Propensity to Save (MPS) Graphically explain the concepts. 14

5. What is isoquant? Graphically explain the properties of isquant. How can isoquant be used to determine the optimal point of operation. 3+8+5

6. Discuss the different stages of Returns in short run. 14

7. Draw and explain graphically the Total Fixed Cost (TFC), Total variable Cost (TVC) and Marginal Cost (MC). 14

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