

TILAK MAHARASHTRA VIDYAPEETH, PUNE
MASTER OF BUSINESS ADMINISTRATION (M.B.A.)
EXAMINATION: MAY - 2025
SEMESTER - I
Sub.: Managerial Economics (MBA102)

Date : 26/05/2025**Total Marks : 60****Time: 2.00pm to 4.30pm**

Instructions: 1) All questions are compulsory.
 2) Figures to the right indicate full marks.

- Q. 1. Write Short notes on (Any Three) (15)**
1. Market Equilibrium
 2. Income Elasticity of Demand
 3. Indifference Curve Analysis
 4. Features and Definition of Monopolistic
 5. Terms of Trade
- Q. 2. Answer in detail (Any One) (10)**
1. Elaborate Demand Analysis with suitable diagrams and tables
 2. Explain the Profit Maximization under Monopoly
- Q. 3. Answer in detail (Any One) (10)**
1. Discuss long run production function with economies of scale
 2. Discuss types of elasticity of demand with practical examples
- Q. 4. Answer in detail (Any One) (10)**
1. What is Price leadership under oligopoly market system
 2. Analyze Free Trade and Protectionism
- Q. 5. Case study (15)**
- A new coffee shop, *Brew Bliss*, opens in a bustling urban neighborhood. Initially, the price of a cup of coffee is set at ₹50, and the shop sells 200 cups daily. Due to increasing competition from nearby cafes, the owner decides to lower the price to ₹40. After the price change, the daily sales rise to 300 cups. The owner wants to analyze the price elasticity of demand (PED) for their coffee to decide future pricing strategies.

Questions:

1. Calculate the Price Elasticity of Demand
2. What do the results tell you about customer responsiveness to price changes?
3. Should the owner consider further lowering the price to increase revenue, or is there a risk of diminishing returns?