

Code No: **21BA1T2****I MBA - I Semester Regular/ Supplementary Examinations
FEBRUARY - 2024****MANAGERIAL ECONOMICS**

Duration: 3 Hours

Max. Marks: 70

Note: 1. This question paper contains three Parts-A, Part-B and Part-C.2. Part-A contains 8 short answer questions. Answer any **Five** Questions.

Each Question carries 2 Marks.

3. Part-B contains 5 essay questions with an internal choice from each unit. Each Question carries 10 marks.

4. Part-C contains one Case Study for 10 Marks.

5. All parts of Question paper must be answered in one place

BL – Blooms LevelCO – Course Outcome

PART - A

		BL	CO
1. a)	Explain the nature of Managerial Economics.	L2	CO1
1. b)	What do you understand by the concept of managerial decision making?	L1	CO1
1. c)	Give the meaning for law of supply with its suitability.	L3	CO2
1. d)	Identify different variables used in production function.	L3	CO3
1. e)	Identify the different features of monopoly market.	L3	CO4
1. f)	Describe oligopoly market with its benefits.	L3	CO4
1. g)	Explain the scope of profit management.	L2	CO5
1. h)	Give the meaning of average cost curves with diagrammatical explanation.	L2	CO3

PART – B

			BL	CO	Max. Marks
<u>UNIT – I</u>					
2.	a)	Briefly discuss the relationship of economics with other disciplines of managerial economics.	L3	CO1	5 M
	b)	Illustrate the concept of opportunity cost and discounting principle with suitable example.	L4	CO1	5 M
OR					
3.	a)	Explain the scope and relevance of managerial economics.	L3	CO1	5 M
	b)	Demonstrate Equi-marginalism principle and also time perspective concept with suitable example.	L4	CO1	5 M
<u>UNIT – II</u>					
4.	a)	Categories the types of demands. Explain with an example for each type.	L3	CO2	5 M
	b)	Explain supply function of a product. What are various types of supply elasticity?	L2	CO2	5 M
OR					
5.	a)	Draft out the significance of demand forecasting and narrate various techniques of demand forecasting.	L3	CO2	5 M
	b)	Define the concepts of elasticity. Illustrate different measurements of price elasticity of demand.	L3	CO2	5 M
<u>UNIT-III</u>					
6.	a)	Illustrate the concept of returns to scale with reference to production function.	L3	CO3	5 M
	b)	Demonstrate Cobb-Douglas Production Function with its derivations.	L4	CO3	5 M

OR					
7.	a)	Discuss the diagrammatical explanation of Production functions with one variable.	L2	CO3	5 M
	b)	Explain short run costs curves with suitable examples.	L2	CO3	5 M
<u>UNIT – IV</u>					
8.	a)	Differentiate between Monopolistic and Perfect competition with its features.	L4	CO4	5 M
	b)	Explain various pricing methods and also determine different strategies of pricing policy.	L2	CO4	5 M
OR					
9.	a)	“Would you prefer a low penetration price to a high initial price for a new product” Discuss your views.	L5	CO4	5 M
	b)	Demonstrate price output determination in various types of competitions.	L4	CO4	5 M
<u>UNIT – V</u>					
10.	a)	Explain the innovation and modern theories of profit with suitable example.	L2	CO5	5 M
	b)	Draft out a report on various policies which can measure the National income of a country?	L3	CO5	5 M
OR					
11.	a)	Illustrate the major phases of business cycle which influences on the business organisations?	L3	CO5	5 M
	b)	Identify the different variables effects the impact of Macroeconomic.	L4	CO5	5 M

PART –C

			BL	CO	Max. Marks
12.	<p>Maruti Udyog Ltd (MUL) enjoys monopoly in spare parts. Along with dealers, MUL is exploiting Maruti vehicle users.</p> <p>Often the vehicle user has to change the clutch plate twice in six months and has to pay Rs.3,567/-. MUL charges the price of clutch at imported cost while clutch plate is actually made by clutch auto private Ltd at Faridabad. The replacement of a silencer costs Rs.800/-. The cost of spare parts and repairs by any reckoning is three to four times compared to Ambassador or Fiat. A random sample indicates that every eighth car has faulty clutch. In the context of defective parts and exorbitant cost of repairs, saving in fuel in Maruti as compared to other auto makers is of little consequence.</p> <p>Maruti vehicle users in dilemma they cannot get spare parts or get their cars repaired except through Maruti Udyog or its authorized dealers. But both charge huge amounts, not giving guarantee for a single day. MUL is thus, indifferent to the genuine grievances of its customers.</p> <p>Questions:</p> <p>a) Define a monopoly and state its main features.</p> <p>b) Why MUL is called a monopoly? Does it enjoy monopoly in car manufacture?</p> <p>c) In what way do customers suffer from monopoly practices of MUL.</p> <p>d) What do you suggest to remedy the situation?</p>		L5	CO3 CO4	10M