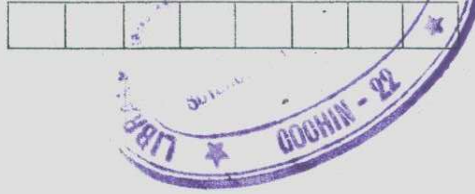


MBA(C)I/12.14.1073

Reg.No.



**MBA (FT)/MBA (IB)/MBA(TT)/ MBA(PT)DEGREE I SEMESTER EXAMINATION  
DECEMBER 2014**

**SMS 2103/SMI 2103/SMT 2103/SMP 2103 MANAGERIAL ECONOMICS  
(2012 Scheme)**

Time : 3 Hours

Maximum Marks : 50

**PART A**  
(Answer *ALL* questions)

(5 x 2 = 10)

1. What is devaluation?
2. Define marginal rate of technical substitution.
3. What is kinked demand curve?
4. Define monetary policy.
5. Define opportunity cost.

**PART B**  
(Answer *ANY FIVE* questions)

(5 x 4 = 20)

6. Discuss the application of economics in managerial decision making.
7. What are the determinants of demand?
8. Explain the relation between average cost and marginal cost.
9. Explain the uses of game theory in decision making.
10. Explain the equilibrium of a firm under monopolistic completion.
11. Explain the methods to correct balance of payments disequilibrium.
12. When price of good A falls from Rs.10 to Rs.8 the demand for good B increase from 15 Kg to 20 Kg (i) What is cross elasticity of demand for B for good A? (ii) Are goods A and B compliments or substitutes?

**PART C**  
(Answer *ANY TWO* questions)

(2 x 10 = 20)

13. Explain the important methods of demand forecasting.
14. What is a business cycle? Explain how understanding it can be used for managerial decision making.
15. Discuss different methods for national income computation, listing their merits and limitations.

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