MBA(F)I/12.13.1082

MBA (FT) DEGREE 1 SEMESTER EXAMINATION DECEMBER 2013

SMS 2103 MANAGERIAL ECONOMICS
(2012 Admission onwards)

Time: 3 Hours

Maximum Marks: 50

PART A
(Answer *ALL* questions)

(5 × 2 = 10)

I.   What is selling cost?

II.   What is balance of payments?

III.   What is cross elasticity of demand?

IV.   Define game theory

V.   Define ISO cost line

PART B
(Answer *ANY FIVE* questions)

(5 × 4 = 20)

VI.   Explain how a manager chooses the right demand forecasting technique.

VII.   Differentiate between point and arc elasticity of demand.

VIII. Explain the problems in the computation of national income.

IX.   Explain law of variable proportion.

X.   What are the conditions necessary for the existence of a perfectly competitive market?

XI.   What are the consequences of inflation?

XII.   Explain the methods to correct the balance of payments disequilibrium.

PART C
(Answer *ANY TWO* questions)

(2 x 10 = 20)

XIII. Explain break even analysis. What are its merits and demerits?

XIV.   Explain the application of elasticity of demand in managerial decision making.

XV.   What do you mean by business cycles and contra cyclical policies? Explain.

***