

## **MBAC 1002**

M.B.A. DEGREE EXAMINATION,  
DECEMBER 2021

First Semester

General (Common Paper)

MANAGERIAL ECONOMICS

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE of the following questions.

1. What is managerial economics? Why does one study managerial economics?
2. Explain production functions in the short and long run.
3. What is monopolistic competition?
4. Explain fiscal and monetary policies.
5. What are the benefits of Public Private Partnership?
6. Why is privatisation important?
7. Define Cost forecasting.
8. List out the major objectives of the firm.

PART B — (5 × 10 = 50 marks)

Answer any FIVE of the following questions

9. Prepare a demanding schedule for an apple i-pad in the Indian market.
10. Examine the importance and applicability of the Law of Variable Proportion:
11. Product markets rely on the operation of supply and demand to determine prices. Explain.
12. How is national income different from per capita income? How do you calculate national income? What are the problems of calculating national income?
13. What is cyclical fluctuation? State the measures which can be suggested for the effective control of business cycle fluctuation.
14. Evaluate the role of Industrial Finance Corporation of India (IFCI).
15. Globalization, is the process of interaction and integration among people, companies, and governments worldwide. Explain.
16. Identify the areas of decision making where managerial economics prescribes specific solutions to business problems.

PART C — (1 × 20 = 20 marks)

Case Study (Compulsory Questions)

17. Credit Cards – Boon or Bane: An insight into Customer's Choice: Are We in Savings Management or Expenditure Management?

Look into the demand and supply scenario of credit card industry in India and examine the concepts of demand and supply saving management vs. expenditure management, consumer behaviour and elasticity. Discuss about the players in the Indian credit market, various determinants of credit business and debates whether spending through credit cards is easy in a cash economy like India.

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