MBA 02

First Semester
Marketing/Finance/IB/HRM
MANAGERIAL ECONOMICS

Time: Three hours          Maximum: 100 marks

SECTION A — (5 × 6 = 30 marks)
Answer any FIVE of the following questions.

1. Define Managerial Economics and discuss its scope.

2. What do you mean by revenue maximisation? How is it different from profit maximisation?

3. Define demand and enumerate the chief characteristics of the law of demand.

4. Explain profit as a consequence of market imperfection and monopoly.

5. Discuss the significance of discount cash flow in capital budgeting.

6. Describe how the economic concentration is measured.
17. Case Study:

12. Explain the different approaches to cost analysis, business decisions with examples.

13. Examine some of the concepts of National Income.

14. Bring out the relationship between fiscal and monetary policies.

15. What is the purchasing power parity exchange rate?

16. Explain the various yardsticks for evaluating the profitability of project proposals.

17. COMPULSORY

SECTION C — 1 x 20 = 20 marks

Nature of the commodity.
Discuss the ideal market structure. Given the prevailing regulation, why or why not?

(b) The price post merger.

(a) The price prior to the merger.

(q) Required to calculate the following:

(i) The users of petrol are disturbed and angered at the rise in price of petrol. Is it due to the company or many small ones.

(ii) If the demand remains the same, regardless of whether the supply function remains the same, regardless of whether the cost function remains the same. If petrol is a hundred petrol pumps the city of Pune has a hundred petrol pumps.

SECTION D — 6 x 10 = 60 marks

8. What is money market? What are its functions?

7. What is price leadership? What are its advantages?