H 1020

M.B.A. DEGREE EXAMINATION, JUNE 2014.

First Semester

Marketing/Finance/IB/HRM

MANAGERIAL ECONOMICS

Time: Three hours               Maximum: 100 marks

SECTION A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. Explain the assumptions of Law of Demand.

2. Briefly state the goals of business firm.

3. State the characteristics of monopoly.

4. Explain the types of price discriminations.

5. Indicate the problems connected with capital budgeting.

6. How to calculate the cost of preference capital?
17. A project cost Rs. 60,000 and has a scrap value of Rs. 12,000. The stream of income before depreciation and taxes during first five years is Rs. 12,000; Rs. 14,400; Rs. 16,800; Rs. 19,200 and Rs. 21,600. Assuming a tax rate of 50% and a depreciation rate of 20% per annum, calculate the average rate of return for the project.

(Compulsory)

SECTION C — (20 marks)

16. Discuss the institutional framework available to Indian business enterprises.

15. Discuss the objectives of Fiscal Policy.

14. Explain the difficulties in the measurement of National Income.

13. Discuss the techniques of Capital Budgeting.

12. Discuss the conditions under which price discrimination is possible.


10. Demand. Explain the factors determining Price Elasticity of Demand.


SECTION B — (5 x 10 = 50 marks)
