

Code No. 2002

FACULTY OF MANAGEMENT
MBA I – Semester Examination, January / February 2015

Subject: Managerial Economic
Course No. 1.2

Time: 3 Hours**Max. Marks: 80**

Note: Answer all the questions.
PART – A (10 x 2 = 20 Marks)
[Short Answer Type]

- 1 a) Concept of a firm
b) Marginal cost
c) Demand curve
d) Margin of safety
e) Tariffs
f) Skimming price
g) Stagflation
h) Market pricing
i) Transfer price
j) GDP

PART – B (5 x 12 = 60 Marks)
[Essay Answer Type]

- 2 a) Explain the relationship between risk and uncertainty.
OR
b) Briefly explain the concept of economic optimization.
- 3 a) Critically examine about indifference curve analysis.
OR
b) Discuss about price elasticity of demand with some examples.
- 4 a) Distinguish between law of variable proportions and returns to scale.
OR
b) Discuss the benefits and limitations of CVP analysis.
- 5 a) Describe the price determination under monopolistic competition.
OR
b) Write in detail about basics of Game Theory.
- 6 a) What is inflation? What are the causes for inflation?
OR
b) State the policies to be followed to counter trade cycles.
