

Reg. No.

MBAS 405 (R)

First Semester M.B.A. Degree Examination, August 2021
(Repeaters)

BUSINESS ADMINISTRATION Economics for Managers

Time : 3 Hours

Max. Marks : 70

SECTION – A

(Compulsory)

Note : Answer to the question should **not** exceed **six** pages : (1×15=15)

1. Explain the importance and significance of the study of Managerial Economics and its relationship with other disciplines.

SECTION – B

Note : Answer **any five** questions. **Each** question carries **eight** marks. Answer to the question should **not** exceed **six** pages. (5×8=40)

2. Is price elasticity the same throughout a given demand curve ? Explain.
3. What is the importance of the concept, income elasticity of demand ? Explain.
4. Explain the business relevance of average and marginal costs.
5. Explain the laws that govern returns to scale.
6. What would be the possible consequences if a large-scale firm such as Hero Honda places its new product in the market without having forecasted the demand for its products ?
7. How is price and output determined under monopolistic competitive market ?
8. Critically examine marginal productivity theory of profit.
9. Explain the importance of Fiscal Policy in stabilizing the economy.

P.T.O.



SECTION – C
(Compulsory)

Note : Answer to the question should **not** exceed **six** pages : (1×15=15)

10. The sales data over the last 5 years for a ABC Store is given in the following table :

Year	Sales (in thousands of rupees)
2014	5,26,000
2015	6,05,000
2016	6,90,000
2017	7,79,000
2018	8,73,000

Poser : Forecast sales for 2019 and 2020 with the help of least square method.