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Name.....

Reg. No.....

FIRST SEMESTER M.B.A. DEGREE EXAMINATION, DECEMBER 2016

(CUCSS)

BUS IC 06—MANAGERIAL ECONOMICS

(2016 Admissions)

Maximum : 36 Weightage

Time : Three Hours

Section A

Answer all the questions.

Each question carries 1 weightage.

1. What is fiscal policy ?
2. Define Managerial Economics.
3. Define decision making.
4. What is cardinal utility ?
5. What do you mean by marginal revenue ?
6. What is demand schedule ?

(6 × 1 = 6 weightage)

Section B

Answer any four questions.

Each question carries 3 weightage.

7. What are the responsibilities of a managerial economist ?
8. What is Delphi Method ?
9. What do you mean by production function ?
10. Why does the demand curve slope downwards ?
11. What are the factors determining income elasticity ?
12. Explain the innovation theory by business cycle.

(4 × 3 = 12 weightage)

Section C

*Answer any three questions.
Each question carries 4 weightage.*

13. Explain the need for measuring the national income.
14. At an initial advertisement expenditure of Rs. 1,50,000 the demand for a firm's product is 2, 40, 000 units. When the advertisement budget is increased to Rs. 1, 80,000 the sales volume increased to 2,70,000 units. Calculate the advertisement elasticity of demand.
15. Explain the scope of Mahalnobis model.
16. Briefly explain the application of economic theories in business decision.
17. Why is demand estimation important ?

(3 × 4 = 12 weightage)

Section D

Compulsory question.

The question carries 6 weightage.

18. Mr. Tom is manager in M/s. Texan, a company producing goods for export. Third world countries are their main customers. The company has been in existence for more than 40 years. From managing director down to workers, there are nine cadres in the organisation. Most of the employees are specialist in their work area. Company has been doing well. The rejection rate has been only about 1.0%. Employees are demanding for wage increase, threatening to go on an indefinite strike. There are about four unions that are active and the employees are equally divided. The Managing Director of the company is a very busy person and manages about six different firms in different countries. He visits the firms once a month and stays for 2 to 3 days. Suddenly the customers have posed a few restrictions. They wanted to buy products only from quality companies. Mr. Tom has been given the responsibilities of sustaining the market share.

Discuss :

- (1) What will be your "SWOT analysis" for the company ?
- (2) What are the cultural changes that are required and why ?
- (3) What will be the strategic planning process that would you recommend ?

(1 × 6 = 6 weightage)