

D 115590

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Name.....

Reg. No.....

**FIRST SEMESTER M.B.A. DEGREE [2016 SCHEME] EXAMINATION
JANUARY 2025**

M.B.A. (CUCSS)

BUS 1C 06—MANAGERIAL ECONOMICS

Time : Three Hours

Maximum : 36 Weightage

Section A*Answer all questions.**Each question carries 1 weightage.*

1. What is consumer surplus ?
2. Define Marginal Utility.
3. What- is Advertisement Elasticity ?
4. What do you mean by National Income ?
5. What is meant by 'Giffen Goods' ?
6. Define Economic planning.

(6 × 1 = 6 weightage)

Section B*Answer any four questions.**Each question carries 3 weightage.*

7. What is the Prisoner's dilemma? Explain briefly.
8. What do you mean by production function ?
9. Distinguish between Short and Long term forecasting ?
10. What is Delphi Method ?
11. Distinguish between Cost plus pricing and break-even pricing.
12. What do you mean by constant returns to scale ?

(4 × 3 = 12 weightage)

Turn over

Section C

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

13. At initial advertisement expenditure of Rs. 50,000 the demand for a firm's product is 80,000 units. When the advertisement budget is increased to Rs. 60,000 the sales volume increased to 90,000 units. Calculate the advertisement elasticity of demand.
14. Briefly explain the application of economics theories in Business decision ?
15. Distinguish between programmed and non programmed decisions in an organization ?
16. Explain the various causes of business cycle.
17. Narrate briefly about Harod-Kaldore Model.

(3 × 4 = 12 weightage)

Section D

Compulsory question.
6 weightage.

18. Sell-a-cell, a cell phone manufacturer established its business in Jaipur, in 2000. Within a year, they were able to establish themselves in the local market for the indigenous product. During the second year of business they wanted to expand their market to the national level. They found they were not achieving the expected sales. Their financial consultant advocated 'economy of scale' operations. Presently several of their cell phones PX-5 are now available in the go down.

The R and D wing of the company consisted of experts in the field. They had found a new chip, which had helped in manufacturing their recent innovative products PX-5 cellphone. The researchers were sure their PX-5 would sell like hot cakes since this was the only miniature phone in the market with the size 7 cm × 4 cm weighing just gms. The breakthrough was the new chip, which helped in bringing out this PX-5 cell phone. Because of this chip they priced the product at 5 times the regular products. Unfortunately the sales target of the new innovative model was not up to the expectations. The customers lost their interest and the customer satisfaction was found low, as reported by the retailers.

Discuss :

- 1 What is the current status of the company ?
- 2 What are the changes required and why ?
- 3 What will be the strategic planning process that would you recommend in this juncture ?

(1 × 6 = 6 weightage)