



MBA DEGREE EXAMINATIONS: APRIL / MAY 2023

(Regulation 2021)

First Semester

MASTER OF BUSINESS ADMINISTRATION

P21MBC1101 / P21MBM1400: Managerial Economics

COURSE OUTCOMES

- CLO1 Explain the role of managerial economics in decision making.
- CLO2 Infer the demand and supply conditions and assess the position of a company.
- CLO3 Summarise the competitive strategies, including costing, pricing, product differentiation, and market environment according to the natures of products and the structures of the markets.
- CLO4 Outline the National Income, Impact of Business cycles and the role of monetary and fiscal policy in the promoting the economic development.

Time: Two Hours

Maximum Marks: 50

**Answer all the Questions
(Each Answers should not exceed 5 pages)
(5 Questions x 10 Marks = 50 Marks)**

1. a.i Assess how the Russia Ukraine War has created energy crisis in recent times and detail its impact on global economy. Write the impact of Scarce resources on the growth of an economy in realtime. CO1 [K5]
1. a.ii Evaluate how India present scenario compared with rest of the world with real time empirical data with emphasis on \$11 trillion economy by 2032. CO1 [K5]
- [OR]
1. b Explain Law of demand and the factors affecting Demand of automobiles or consumer goods in India with suitable live examples? CO2 [K2]
2. a Illustrate the concept of “price elasticity of demand” and its types with suitable charts and realtime examples? CO2 [K2]
- [OR]
- 2.b Explain production function, classes of production function and returns to scale. CO3 [K2]
3. a Explain the 5 types of cost classification and pricing strategies with realtime examples. CO3 [K2]
- [OR]
- 3.b Explain different types of market structures, brief the market structure based on the market visit undergone and explain the price output determination under monopolistic competition with suitable charts? CO3 [K2]

4.a For much of the global economy, 2023 is going to be a tough year as the main engines of global growth – the US, Europe and China – all experience weakening activity, the head of the International Monetary Fund has warned. The new year is going to be “tougher than the year we leave behind,” IMF managing director Kristalina Georgieva said on the CBS Sunday morning news program Face the Nation on Sunday. “Why? Because the three big economies – the US, EU and China – are all slowing down simultaneously,” she said. “We expect one-third of the world economy to be in recession. Even countries that are not in recession, it would feel like recession for hundreds of millions of people,” she added. (Source: The Guardian.com). Appraise this situation with the prevalence of this scenario along with the different phases of Business cycle. CO4 [K5]

[OR]

4.b While the US, UK and EU are facing a double whammy of unprecedented inflation and negative growth there is a school of thought which argues that India's prudent fiscal policy has paid off. Appraise the type of fiscal policy adopted in India currently. CO4 [K5]

5.a Explain the national income concepts with real time data and the methods used to measure National income CO4 [K5]

[OR]

5.b “India's Nov retail inflation eases to 11-month low of 5.88% (November 2022). (Source- Economictimes). Assess the current inflation experienced by India with proper empirical evidence. Elaborate the recent monetary policy measures taken by RBI to counter the inflationary issues. Compare the inflationary rates of India with yet another 2 nations which has serious inflationary pressures and mechanism taken by their government and central bank to tame them. CO3 [K5]
