Register No : ___________________

THE KAVERY ENGINEERING COLLEGE

(An Autonomous Institution)

MBA DEGREE END SEMESTER THEORY EXAMINATIONS, NOV /DEC 2024

First Semester

Master of Business Administration

PMBT2403/BA4103 - Managerial Economics

Regulations – 2021 & 2024

Duration : 3 Hrs *Maximum : 100 Marks*

*PART – A (ANSWER ALL QUESTIONS) (Marks 10*2=20)*

Q.No	*Questions*	*BLT*	*CO*	*Marks*
1.	Outline scarcity in economics.	UN	1	2
2.	What is the difference between productive efficiency and economic efficiency?	RE	1	2
3.	Relate factors determine demand.	RE	2	2
4.	What are economies of scale?	RE	2	2
5.	Relate the main difference between perfect and imperfect markets.	RE	3	2
6.	List three main factors of production in the factor market.	RE	3	2
7.	Summarize the main components of aggregate demand.	UN	4	2
8.	What is the multiplier effect in macroeconomics?	RE	4	2
9.	Outline Okun’s law.	UN	5	2
10.	Compare the difference between demand-pull inflation and cost-push inflation.	UN	5	2

*PART – B (ANSWER ALL QUESTIONS) (Marks 5*13 = 65)*

Q.No			*Questions*	*BLT*	*CO*	*Marks*
11.	a	i	Develop scarcity and explain its significance in economics.	AP	1	8
		ii	Identify and briefly describe the three fundamental economic problems.	AP	1	5
			Or			
	b	i	Explain the concept of the Production Possibility Frontier (PPF) and its significance.	UN	1	8
		ii	Illustrate PPF mean for an economy to be productively efficient.	UN	1	5
12.	a	i	Explain the concept of price elasticity of demand and its importance.	UN	2	8
		ii	Discuss factors influence the elasticity of supply.	AN	2	5
			Or			
	b	i	Differentiate between short-run and long-run production functions.	AN	2	8
		ii	Discover economies and diseconomies of scale.	AN	2	5
13.	a	i	Identify perfect competition and explain its key characteristics.	AP	3	8
		ii	Construct the main differences between perfect and imperfect markets.	AP	3	5
			Or			

	b	i	Explain the concept of a firm's equilibrium and how it is determined?	UN	3	8
		ii	Discuss the factors which affect a firm's supply curve.	AN	3	5
14.	a	i	Discuss macro-economic aggregates and provide examples.	AN	4	8
		ii	Explain the importance of measuring national income.	UN	4	5
			Or			
	b	i	Develop the circular flow model of macroeconomic activity.	AP	4	8
		ii	Identify roles do households and firms play in the circular flow model.	AP	4	5
15.	a	i	Identify unemployment and discuss its potential impacts on the economy.	AP	5	8
		ii	Construct Okun's law and how does it relate unemployment to economic output.	AP	5	5
			Or			
	b	i	Explain the money market and its role in the economy.	UN	5	8
		ii	Discuss how does monetary policy influence money supply and national income.	AN	5	5

*PART – C (Marks 1*15 = 15)*

Q.No			*Questions*	*BLT*	*CO*	*Marks*
16.	a	i	Explain the concept of the inflation-unemployment trade-off.	UN	5	9
		ii	Discuss how this trade-off might affect government policy decisions.	AN	5	6
			Or			
	b	i	Analyze money market equilibrium and explain its significance.	AN	5	9
		ii	Examine the factors can disrupt money market equilibrium.	AN	5	6