

INDIAN MARITIME UNIVERSITY
(A Central University, Government of India)

December 2016 End Semester Examinations

**First Semester – Master of Business Administration
International Transportation and Logistics Management /
Port and Shipping Management (2015 batch onwards)**

Managerial Economics (PG21T2102/ PG22T2102)

Date : 16.12.2016

Time: 3 Hrs

Maximum Marks: 60

Pass Marks : 30

SECTION-A

(12x 1= 12 Marks)

(Answer All Questions)

Choose the correct answer:

1. The difference between GNP and NNP
 - a. Depreciation
 - b. Taxation
 - c. Income from abroad
 - d. None of the above
2. Taxation system followed in India is.....
 - a. Regressive
 - b. Progressive
 - c. Proportional
 - d. None of the above
3. Total receipts from sales divided by the number of units sold
 - a. Average revenue
 - b. Marginal revenue
 - c. Total revenue
 - d. Incremental revenue
4. Cross elasticity of demand is positive for Goods
 - a. Complementary
 - b. Supplementary
 - c. Unrelated
 - d. None of the above

5. Which market structure has no restrictions on the entry and exit of firms from the market?
 - a. Monopoly
 - b. Monopolistic competition
 - c. Oligopoly
 - d. Perfect competition
6. Under method, the price is set to cover costs and a predetermined percentage of profit
 - a. Full cost pricing
 - b. Marginal cost pricing
 - c. Going rate pricing
 - d. Sealed bid pricing
7. Average income earned by the citizens of a country
 - a. Disposable income
 - b. Private income
 - c. Per capita income
 - d. None of the above
8. Which of the following does not represent isoquant?
 - a. Isoproduct curve
 - b. Equal product curve
 - c. Production indifference curve
 - d. Isocost curve
9. Systematic record of all economic transactions between the residents of the reporting country and residents of foreign countries
 - a. Balance of trade
 - b. Balance of Payments
 - c. Net exports
 - d. None of the above
10. The opportunity cost of a factor of production with specific use is
 - a. Very high
 - b. Infinite
 - c. Zero
 - d. Constant

11. Give an example of a Giffen good from the following
- a. Car
 - b. Potato
 - c. Mobile phone
 - d. House
12. If there are only two sellers in a market, then it is called
- a. Monopoly
 - b. Duopoly
 - c. Oligopoly
 - d. Monopolistic competition

SECTION-B

(5x 4= 20 Marks)

(Answer ANY FIVE Questions not exceeding 200 words each. All Questions carry equal marks)

13. Define advertising elasticity of demand and its economic implications for a business
14. Why long run average cost curve is called an envelope curve?
15. Give a detailed description about different approaches to measure national income and its components
16. What are business cycles?
17. Give a brief description about India's financial institutions
18. What is the significance of breakeven analysis in a business organisation?
19. If the total cost function of a company is $TC = 500 + 4Q + 10Q^2$, find the average cost and marginal cost at an output level of 10 units

SECTION - C

(4 x 7 = 28 Marks)

(Question No.20 is compulsory. Answer any THREE from the remaining questions. Each Analysis/ Answer should not exceed 500 words)

20. Explain the qualitative and quantitative measures of monetary policy adopted by Reserve Bank of India
21. Define price elasticity of demand and distinguish its various types. Discuss the role of price elasticity of demand in business decisions.
22. What is Cobb Douglas Production Function? Explain its properties.

23. State and explain the Law of Variable proportion. How does a producer attain the level of equilibrium?

24. How do we determine price and output under perfectly competitive market?

25. Give a detailed description about important pricing methods adopted by the firms.
