

**5Q**

Reg. No. \_\_\_\_\_

Name: \_\_\_\_\_

**APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY**  
**FIRST TRIMESTER MBA DEGREE EXAMINATION OCTOBER 2016**

**MBA 13 MANAGERIAL ECONOMICS**

Max. Marks: 60

Duration: 3 Hours

**Part A**

**Write short answers to all questions. Each question carries 2 marks**

1. Explain demand function
2. What is meant by internal economies of scale?
3. Explain marginal rate of technical substitution
4. Explain barometric price leadership
5. Explain fiscal deficit

(5x2 marks = 10 marks)

**Part B**

**Answer any 3 questions. Each question carries 10 marks**

6. What is decision making? Explain the different steps involved in it
7. Why is the average cost curve 'U' shaped?
8. Explain Qualitative Credit Control measures and its instruments
9. What is break-even point and what are its implications for business?
10. What is a budget and explain the typical characteristics of a budget?

(3x10 marks = 30 marks)

**Part C**

**Compulsory question, the question carries 20 marks**

11. From the following particulars, find out the break-even point

Variable cost per unit: Rs. 15

Fixed expenses: Rs. 54000

Selling price per unit: Rs. 20

What should be the selling price per unit, if the break-even point is to be brought down to 6000 units?

(20 marks)