



St. Clare College

Autonomous, Bengaluru

ROLL NO:

DATE:

PG END SEMESTER EXAMINATION-MAY 2025

MBA FIRST SEMESTER

MBA1124: ECONOMICS FOR MANAGERS

TIME: 3 hours.

1

MAX. MARKS: 70

This paper contains TWO printed pages and FOUR parts

Instructions:

1. Verify and ensure that the question paper is completely printed.
2. Any discrepancies or questions about the exam paper must be reported to the COE within 1 hour after the examination.
3. Students must check the course title and course code before answering the questions.

PART-A

Answer SIX questions out of EIGHT. Each answer carries TWO marks.

[2x6 = 12]

1. What is the difference between Microeconomics and Macroeconomics?
2. How does the Government influence Economic Growth?
3. What are the key determinants of Demand?
4. What is utility in the context of Consumer Behavior?
5. Define Monopoly and mention any two characteristics.
6. Mention any two components of the External Environment.
7. What are the main components of Aggregate Demand?
8. How do Monetary Policies influence business activities in India?

PART-B

Answer any THREE questions out of FIVE. Each answer carries EIGHT marks.

[8x3=24]

9. Explain the significance of Managerial Economics in decision-making and its integration with other Management disciplines.
10. Using a three yearly moving average determine the trend values.

Years	2005	2006	2007	2008	2009	2010	2011	2012
Export sales (Units)	21	22	23	24	25	26	27	26

11. How can Indifference Curve analysis be applied to real-world managerial decisions?
12. Discuss the impact of the Political and Legal Environment on business operations in India. Provide examples of relevant laws and policies.
13. Describe the role of Monetary Policy in India. How does the Reserve Bank of India use it to control inflation and stabilize the economy.

PART-C

Answer any TWO questions out of THREE. Each answer carries TEN marks.

[10X2=20]

14. Prepare sales forecast for 2015 with the help of the following data.

Years	2008	2009	2010	2011	2012	2013	2014
Export sales (Units)	140	160	180	200	220	240	260

15. Multiplexes in India raises price of tickets during peak hours. What type of pricing strategies are used by movie theatre? Why? Explain the concept of Pricing strategies and its elements.
16. Discuss the concept of Elasticity of Demand. Explain different types of Elasticity with suitable examples.

PART-D

Answer the following.

[14X1=14]

17. The Indian telecom industry has experienced significant growth and transformation over the past few decades. Initially dominated by state-owned companies like BSNL and MTNL, the market opened up to private players in the early 2000s. The entry of companies like Bharti Airtel, Vodafone, and Reliance Communications intensified competition. However, the most significant disruption came with the entry of Reliance Jio in 2016, offering free voice calls and affordable data services.

This aggressive pricing strategy led to a price war, forcing many smaller players to exit or merge. Vodafone and Idea merged to survive, while Reliance Communications exited the market. The current market scenario is primarily dominated by three major players: Reliance Jio, Bharti Airtel, and Vodafone Idea. The intense competition has benefited consumers with lower tariffs but has also created financial challenges for the companies.

Questions:

- a) Analyze the market structure of the Indian telecom industry. Would you classify it as a Monopoly, Oligopoly, Monopolistic Competition, or Perfect Competition? Justify your answer.
- b) Discuss the impact of Reliance Jio's entry on the pricing strategies and overall market dynamics. How did it affect consumer welfare and the profitability of existing players?
