
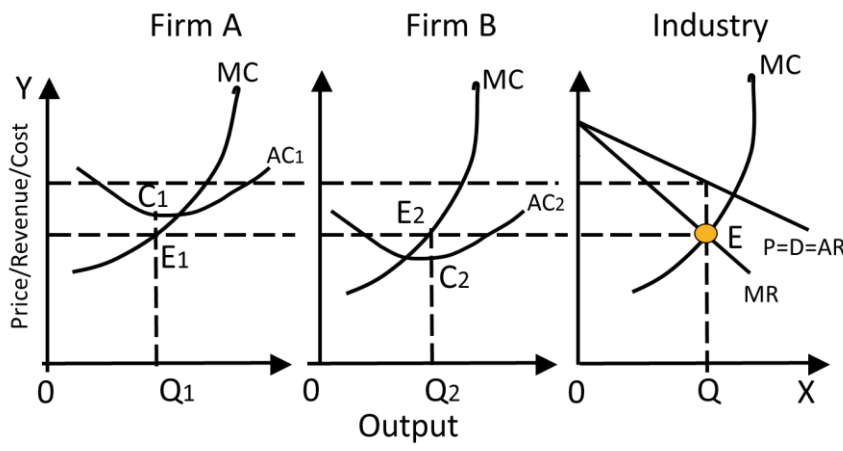
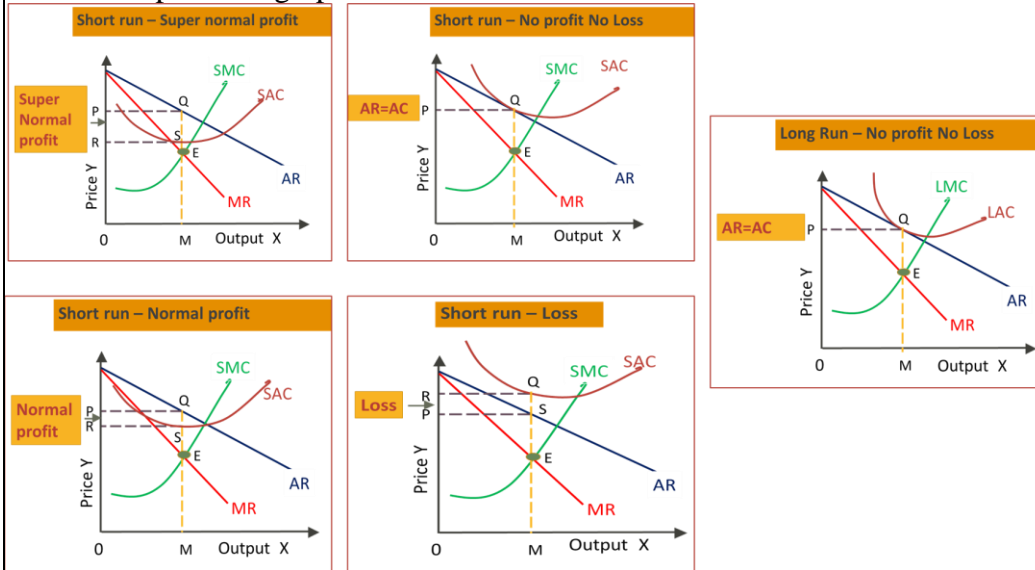


CMR INSTITUTE OF TECHNOLOGY		USN							 <small>CELEBRATING 25 YEARS</small> CMRIT <small>CMR INSTITUTE OF TECHNOLOGY, BENGALURU.</small> <small>ACCREDITED WITH A++ GRADE BY NAAC</small>	
Internal Assessment Test - II										
Sub:	MANAGERIAL ECONOMICS						Code:	22MBA26		
Date:	09-10-2024	Duration:	90	Max Marks:	50	Sem:	II	Branch:	MBA	
SET- I										
								Marks	OBE	
									CO	RBT
Part A - Answer Any Two Full Questions (2* 20 = 40 marks)										
1 (a)	What is Monopoly? Answer: Market where which only one seller.						[03]	CO5	L1	
(b)	Explain the features of the Perfect market. Answer: Large numbers of buyers and sellers. Homogeneous product A single price Free entry and exit Perfect knowledge Perfect mobility Independence of decision-making Absence of selling and transportation cost						[07]	CO5	L2	
(c)	Illustrate price and output determination under Collusive Oligopoly. Answer: <div style="text-align: center;">  </div>						[10]	CO5	L4	
2 (a)	What do you mean by External Business Environment? Answer: The outside influences and factors that affect business operations						[03]	CO6	L1	
(b)	Discuss the importance of Monetary policy in economic development. Answer: <ul style="list-style-type: none"> • Price Stability • Controlled Expansion of Bank Credit • Promotion of Fixed Investment • Restriction of Inventories and stocks • To Promote Efficiency 						[07]	CO6	L2	

	<ul style="list-style-type: none"> Reducing the Rigidity 			
(c)	<p>Elaborate the significance of the private sector in an economy.</p> <p>Answer:</p> <ol style="list-style-type: none"> Employment opportunities, Delivers specific goods and services, Helps develop industries or technologies, Enables the functioning of a diverse group of businesses, Adds to the national income 	[10]	CO6	L1
3 (a)	<p>What do you mean by globalization?</p> <p>Answer:</p> <p>Globalization is the extension of social relations across world-space, defining that world-space in terms of the historically variable ways that it has been practiced and socially understood through changing world-time.</p>	[03]	CO6	L1
(b)	<p>Explain the salient features of NIP 1991.</p> <p>Answer:</p> <ol style="list-style-type: none"> public sector de-reservation, industrial licensing abolished, disinvestment in the public sector, allowing foreign capital investment, 	[07]	CO6	L2
(c)	<p>Write a note on the Production Linked Incentive.</p> <p>Answer:</p> <p>India is the 2nd largest telecom market in the world with 765.1 million broadband subscribers. The telecom sector provides direct and indirect employment to 4 million people in India and constitutes 7% of all FDI inflows in the country. To attract large-scale investments in telecom equipment manufacturing and augment the domestic production capacity, the Government of India has introduced the Production Linked Incentive Scheme for Telecom and Networking products.</p> <p>The Production Linked Incentive (PLI) Scheme provides a financial incentive to boost domestic manufacturing and attract investments in the target segments of Telecom and Networking Products. It is estimated that full utilisation of the Scheme funds is likely to lead to incremental production of around ₹ 2.4 lakh crores with exports of around ₹ 2 lakh crores over 5 years. It is also expected that the Scheme will bring in investments of around ₹ 3,000 crores and generate huge direct and indirect employment. This is in line with the larger objective of Make in India.</p>	[10]	CO6	L1
Part B - Compulsory (01*10=10 marks) – CASE STUDY				
4	<p>Hindustan Unilever was founded in the latter part of the 1980s. The Lever brothers, established by William Hesketh Lever, first entered the Indian market in 1888 with a product known as sunlight soap. However, the soap was marked with the phrase “Made in England by Lever Brothers”.</p> <p>Hindustan Vanaspati Manufacturing Company, Unilever’s first Indian affiliate, was founded in 1931. Lever Brothers India Limited followed in 1933, and United Traders Limited followed in 1935. In 1956, these companies amalgamated to establish Hindustan Unilever Limited.</p> <p>After Hindustan Unilever Limited was founded, its primary focus was on acquiring Indian brands that were already well-established.</p> <p>To achieve HUL is decided to add one more product into the market which has more demand.</p>	[10]	CO5	L4

You are required to help the company determine the price and output under the Monopolistic Competition market. Explain in detail with suitable graphs.

Answer: Explain the graph



Course Outcomes (COs)		PO1	PO2	PO3	PO4	PO5	PSO1	PSO2	PSO3	PSO4
CO1:	The student will understand the application of Economic Principles in Management decision making.									
CO2:	The student will earn the microeconomic concepts and apply them for effective functioning of a Firm and Industry.									
CO3:	The Student will be able to understand, assess and forecast the demand.									
CO4:	The student will apply the concepts of production and cost for optimization of production									
CO5:	The student will design competitive strategies like pricing, product differentiation etc. and marketing according to the market structure.	1a, 1c			1b	4		1a, 1b, 1c, 4		
CO6	The student will be able to understand the impact of macroeconomic concepts.	2a, 2b, 2c, 3c			3a, 3b					2a, 2b, 2c, 3a, 3b, 3c

Cognitive level	KEYWORDS
L1 - Remember	list, define, tell, describe, recite, recall, identify, show, label, tabulate, quote, name, who, when, where, etc.
L2 - Understand	describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss
L3 - Apply	calculate, predict, apply, solve, illustrate, use, demonstrate, determine, model, experiment, show, examine, modify

L4 - Analyze	classify, outline, break down, categorize, analyze, diagram, illustrate, infer, select
L5 - Evaluate	asses, decide, choose, rank, grade, test, measure, defend, recommend, convince, select, judge, support, conclude, argue, justify, compare, summarize, evaluate
L6 - Create	design, formulate, build, invent, create, compose, generate, derive, modify, develop, integrate

PO1–Theoretical Knowledge; PO2–Foster Analytical and Critical Thinking Abilities for data based decision making; PO3– Develop Value Based Leadership; PO4 –Ability to Understand and communicate various business aspects to global; PO5 – Ability to lead themselves and others in the achievement of organizational goals contributing effectively to a team environment;

PSO1- Comprehend Contemporary features of Business Management Science and its administration

PSO2- Analyze and interpret the dynamic situations for making Business Management strategies

PSO3- Handle responsibility with the ethical values for all actions undertaken by them

PSO4- Adapt and focus on achieving the organizational goal and objectives with complete zeal and commitment.

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