

Code: BA1T2

**I MBA-I Semester-Regular/Supplementary Examinations
January 2017**

MANAGERIAL ECONOMICS

Duration: 3hours

Max. Marks: 70

SECTION-A

1. Answer any FIVE of the following: 5 x 2 = 10 M

- a) Equi-Marginal Principle
- b) Demand Determinant
- c) Economies of Scale
- d) Monopolistic Market
- e) Macro Economics
- f) Discounting principle
- g) Perfectly Inelastic demand
- h) Perfect Competition

SECTION – B

Answer the following: 5 x 10 = 50 M

2. a) What do you mean by Managerial Economics? Describe the importance of Managerial Economics.

(OR)

b) Discuss the Basic Economic Principles in Managerial Economics.

3. a) What do you mean by demand forecasting? Explain different forecasting techniques.

(OR)

b) What is price elasticity of demand? Explain different types of price elasticity of demand.

4. a) Explain in detail Cobb- Douglas Production function.

(OR)

b) Explain in detail cost-output relationship in a short run.

5. a) Explain in detail Bain's limit pricing theory.

(OR)

b) Describe in detail different types of market.

6. a) Explain in details Cost-Volume Profit Analysis.

(OR)

b) What do you mean by Business Cycles? Explain different Phases of business cycle

SECTION – C

7. Case Study

1 x 10 = 10 M

A company producing a single product sells it at Rs. 50 per unit. The variable cost is Rs. 35 and the fixed cost amounts to Rs 12 Lakhs per annum. With this data, you are required to calculate the following, treating each independent of the other

- a. Calculate Breakeven point
- b. New Break- even point if the variable cost increases by 3 per unit without increase in selling Price.
- c. What would be the profit if the firm sells 50,00,000 units.
- d. How much should the manufacture sell to make a profit of Rs. 15,000 per annum?