

I MBA - I Semester Supplementary Examinations DECEMBER - 2024

MANAGERIAL ECONOMICS

Duration: 3 Hours

Max. Marks: 70

Note: 1. This question paper contains three Parts-A, Part-B and Part-C.

2. Part-A contains 8 short answer questions. Answer any **Five** Questions. Each Question carries 2 Marks.
 3. Part-B contains 5 essay questions with an internal choice from each unit. Each Question carries 10 marks.
 4. Part-C contains one Case Study for 10 Marks.
 5. All parts of Question paper must be answered in one place
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PART - A

1. a)	Define managerial economics.
1. b)	List the determinants of demand.
1. c)	What is the Marginal Rate of Technical Substitution (MRTS)?
1. d)	List the features of perfect competition.
1. e)	Define profit and its significance in business.
1. f)	Write the nature of managerial economics.
1. g)	Define the production function.
1. h)	What are the common pricing methods used in practice?

PART – B

			BL	CO	Max. Marks
<u>UNIT – I</u>					
2.	a)	Describe the relationship between managerial economics and other areas of economics.			5 M
	b)	Analyze the role of a managerial economist in strategic			5 M

		planning for a multinational company.	
OR			
3.	a)	Explain the scope of managerial economics.	5 M
	b)	Differentiate between the concepts of risk and uncertainty in managerial decision-making.	5 M
<u>UNIT – II</u>			
4.	a)	Explain the significance of elasticity of demand in business decision-making.	5 M
	b)	Illustrate the concept of the law of demand with a graph.	5 M
OR			
5.	a)	Differentiate between price elasticity, income elasticity, and cross elasticity of demand.	5 M
	b)	Analyze the impact of elasticity of supply on market equilibrium in the short run and long run.	5 M
<u>UNIT-III</u>			
6.	a)	Describe the law of returns to scale with an example.	5 M
	b)	Discuss the significance of the Cobb-Douglas production function in economics.	5 M
OR			
7.	a)	Explain the relationship between average total cost (ATC) and marginal cost (MC) using a graph.	5 M
	b)	Critically evaluate the role of returns to scale in large-scale production industries.	5 M
<u>UNIT – IV</u>			
8.	a)	Explain the characteristics of monopolistic competition.	5 M
	b)	Differentiate between perfect competition and oligopoly.	5 M
OR			
9.	a)	Compare the short-run and long-run equilibrium in perfect competition with suitable graphs.	5 M

	b)	Explain the pricing strategies.	5 M
<u>UNIT – V</u>			
10.	a)	Discuss the importance of measuring national income for an economy.	5 M
	b)	Explain the phases of a business cycle with examples.	5 M
OR			
11.	a)	Analyze the differences between the classical and modern theories of profit.	5 M
	b)	Identify the factors that influence the profitability of firms in a monopolistic market.	5 M

PART –C

			BL	CO	Max. Marks
12.	A garment manufacturing unit produces designer t-shirts with the following financial details: <ul style="list-style-type: none"> • Selling price per unit: ₹500 • Variable cost per unit: ₹300 • Fixed costs per month: ₹2,00,000 Questions: <ul style="list-style-type: none"> i) Calculate the break-even point (BEP) in units and revenue. ii) Determine the Profit-Volume (PV) Ratio. iii) If the company wants to earn a profit of ₹50,000 per month, calculate the required sales in units and revenue. 				10 M