

Code: 17BA1T2

**I MBA - I Semester - Regular / Supplementary Examinations
December 2018**

MANAGERIAL ECONOMICS

Duration: 3 hours

Max. Marks: 60

SECTION-A

1. Answer the following:

5 x 2 = 10 M

- a) Evaluate Risk and Uncertainty.
- b) Write the need of Demand forecasting.
- c) Explain the Marginal rate of technical substitution.
- d) Explain the features of Oligopoly.
- e) Write about Modern theory of profit.

SECTION – B

Answer the following:

5 x 8 = 40 M

2. a) Discuss basic economic tools in Managerial economics.

OR

b) Define Managerial economics. Explain the nature, scope and significance of Managerial economics.

3. a) What is Demand forecasting? Explain the need and techniques of forecasting.

OR

b) What is Demand analysis? Briefly explain the determinants of demand.

4. a) What is cost? Explain in detail about cost concepts.

OR

b) What is Production function and explain the production function with one variable input.

5. a) What is pricing strategy? Explain pricing objectives and methods of pricing.

OR

b) Explain price output determination in perfect competition.

6. a) Explain about cost-volume-profit analysis.

OR

b) What is Business cycle and Business policies? Explain Evil effects of cyclical fluctuations on Business firms.

SECTION-C

7. Case Study

1x10=10 M

A firm has a fixed cost of Rs. 50,000; selling price per unit is Rs.50 and variable cost per unit is Rs.25. Present level of production is 3500 units.

i) Determine break-even point in terms of volume and also sales value.

- ii) Calculate the margin of safety.
- iii) What is the change in BEP and margin of safety if fixed costs increase from Rs. 50,000 to Rs. 60,000?