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ADITYA INSTITUTE OF TECHNOLOGY AND MANAGEMENT, TEKKALI
(AUTONOMOUS)
I MBA I Semester Regular Examinations, December, 2017

MANAGERIAL ECONOMICS

Time: 3 Hrs   Max. Marks: 60

Answer Five questions
All questions carry EQUAL marks
Question No. 8 is Compulsory

1.   Define Managerial Economics. Explain the Nature and Scope of Managerial Economics

2.   What is Price Discrimination? Explain the three degrees of Price Discrimination.

3.   Explain diagrammatically the Law of Diminishing Marginal Returns.

4.   Explain various relations between Cost and Output in the Short run.

5.   Discuss the different theories of Profit.

6.   Define Elasticity of demand. Explain Price Elasticity of demand concepts in detail with examples.

7.   Define Market. Explain the classification of markets on different bases.

8.   CASE STUDY:

A shopping mall, selling T-shirts, found that the Demand equation for T-shirts is D=700-5P. Answer the following questions.
1) At Rs 100/- per shirt, how many shirts in a day the mall can sell?
2) What should be the price if the mall wish to sell 100 shirts in a day?
3) What is the highest price if anyone would be willing to buy?
4) What is the slope of the demand curve if drawn?
5) If price changes by 2units (delta P), what will be the change in quantity (delta Q).
6) Calculate the Price Elasticity of Demand at P = Rs 50/- per unit.

Code: 16MBA1002   **SET-I**

ADITYA INSTITUTE OF TECHNOLOGY AND MANAGEMENT, TEKKALI
(AUTONOMOUS)
I MBA I Semester Supplementary Examinations, December-2017

MANAGERIAL ECONOMICS

Time: 3 Hrs   Max. Marks: 60

Answer any Five questions
All questions carry EQUAL marks
Question No. 8 is Compulsory

1.	Explain the significance of Managerial Economics	**[12 M]**
2.	Explain the different types of elasticity of Demand with the help of Diagrams	**[12M]**
3.	Discuss the factors influencing price elasticity of demand	**[12M]**
4.	Explain the cost output relationship with examples	**[12M]**
5.	What is production function? How does a long run production function differ from short run production function	**[12M]**
6.	"Under perfect competition each firm is a price taker but not price maker" Explain	**[12M]**
7.	Write about various profit policies of a firm	**[12M]**
8.	CASE STUDY:	**[12M]**

Complete the following table which illustrates the cost output relationship in
The short run with reference to different concepts of costs

Output	Total Fixed Cost	Total Variable Cost	Total Cost	Average Fixed Cost	Average Variable Cost	Average Total cost	Marginal cost
0	24000	0					
1		12000					
2		20000					
3		27000					
4		32000					
5		42000					
6		55200					
7		72000					