**Sreenidhi Institute of Science & Technology**

**A14**

**(An Autonomous Institution**)

**Code No: 4Z103**

**MBA I - YEAR I - SEM, February, 2015 (Regular)**

**MANAGERIAL ECONOMICS**

**Time: 3 Hours Max. Marks: 60**

**Note: No additional answer sheets will be provided.**

**Part – A**

**Max. Marks: 10**

**Answer all the QUESTIONS**

**Explain/Define:**

1. Why is demand forecasting important?
2. Explain returns to scale.
3. Break even analysis.
4. State the role of managerial economist.
5. What is equilibrium in economics?
6. What is monopoly?
7. Define elasticity of demand.
8. Risk and uncertainty.
9. Profit in innovation theory.
10. What is average cost?

**Part – B**

**Max. Marks: 50**

**ANSWER ANY FIVE. ALL QUESTIONS CARRY EQUAL MARKS.**

1. Discuss the fundamentals of Managerial Economics. Explain the scope of Managerial Economies as tools of management decision making.

2. What are the differences between a firm's demand curve and market demand curve? Give illustrations.

3. Discuss the concept of production function with one variable input along with illustrations.

4. Explain the economic method of estimating cost function. Why is this method more popular than the other methods of cost estimation?

5. Explain the concept of product differentiation with special reference to monopolistic competition.

6. What are the various kinds of profits and explain about claimant theory?

7. Explain about the following:

a. Marketing Research.

b. Cobb-Douglas production function.

c. Competitive situations.

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