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**SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR
(AUTONOMOUS)**

MBA I Year I Semester Supplementary Examinations November-2020

MANAGERIAL ECONOMICS

Time: 3 hours

Max. Marks: 60

SECTION – A

(Answer all Five Units 5 x 10 = 50 Marks)

UNIT-I

- 1 What is Managerial Economics? Discuss the Salient features and significance of Managerial Economics? **10M**

OR

- 2 a Explain the relationship between Managerial Economics and Operations Research? **5M**
b Explain the relationship between Managerial Economics and Economics. **5M**

UNIT-II

- 3 What do you understand by elasticity of demand? Explain the factors governing it? **10M**

OR

- 4 What is demand forecasting? explain different methods of demand Forecasting? **10M**

UNIT-III

- 5 a Marginal Rate of technical substitution – Explain. **5M**
b Cobb-Douglas Production Function – Explain. **5M**

OR

- 6 Define Break Even Point. How do you determine it? Show graphical presentation of BEA? **10M**

UNIT-IV

- 7 a What is Monopoly? Explain the chief characteristics of Monopoly? **5M**
b What is Monopolistic Competition? What are the characteristics of Monopolistic Competition? **5M**

OR

- 8 Explain how the price is determined in case of perfect Competition. Illustrate. **10M**

UNIT-V

- 9 What do you understand by Business Cycle? Explain different phases of Business Cycle? **10M**

OR

- 10 What is Inflation? How does inflation affect the production structure and income distribution in an economy? **10M**

SECTION – B

(Compulsory Question)

- 11 **1 x 10 = 10 Marks**
Charan Enterprises deals in the supply of hardware parts of computer. The following cost data is available for two successive periods:

	<i>Year I Rs.</i>	<i>Year II Rs.</i>
Sales	50000	120000
Fixed Cost	10000	20000
Variable Cost	30000	60000

Determine i) Break-even Point ii) Margin of Safety.

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