

**ADITYA INSTITUTE OF TECHNOLOGY AND MANAGEMENT, TEKKALI
(AUTONOMOUS)****I MBA I Semester Regular Examinations, DECEMBER, 2016****MANAGERIAL ECONOMICS****Time: 3 Hrs****Max. Marks: 60**

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

1. Discuss the role of Managerial Economics in Business Management [12M]
2. Explain the concept of Cross Elasticity of Demand and how it is useful in decision making process? [12M]
3. Is there any difference in Demand Forecasting between New products and Old products? Explain with examples. [12M]
4. Explain the difference between Short run and Long run Production function. Give an example of this difference in a Business situations. [12M]
5. Why is the Short run Average Cost Curve, U-shaped? [12M]
6. Distinguish between Monopoly and Monopolistic competition [12M]
7. What is Profit Management? Write about different theories of Profit [12M]
8. CASE STUDY: [12M]

From the following data measure the Total cost, Average cost and Marginal cost.

Variable Cost (Rs)	500	640	720	740	800	900
Output in Units	1	2	3	4	5	6

To Manufacture, X product a fixed costs of Rs.300/- was incurred Explain with graph.