

Code No: MB1912/19

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY-GURAJADA VIZINAGARAM

MBA I Semester (R19) Supplementary Examinations-December 2025

Managerial Economics

Time: 3 Hours

Max. Marks: 75

Answer any FIVE Questions One Question from Each Unit

All Questions Carry Equal Marks

UNIT-I

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| 1. | a | What is managerial economics? Explain its nature and importance. | 6M |
| | b | Explain the opportunity cost principle with a real-world example. | 6M |

OR

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| 2. | a | What is the concept of time perspective in managerial decision making? | 6M |
| | b | Describe the key assumptions behind the theory of the firm. | 6M |

UNIT-II

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| 3. | a | Define demand, what are the factors affecting demand for a product? | 6M |
| | b | What is elasticity of demand? Discuss its types with examples. | 6M |

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| 4. | a | Explain the concept of supply elasticity with examples. | 6M |
| | b | Discuss the challenges in demand forecasting for new and established products. | 6M |

UNIT-III

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| 5. | a | Explain the short-run and long-run cost-output relationships. | 6M |
| | b | What is the law of variable proportions? Explain with examples. | 6M |

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| 6. | a | Illustrate the Isoquants and their role in production decision making. | 6M |
| | b | What are the different types of production costs? Explain fixed and variable costs. | 6M |

UNIT-IV

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| 7. | a | Explain the concept of price determination under perfect competition. | 6M |
| | b | Discuss the factors influencing pricing decisions in oligopoly markets. | 6M |

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| 8. | a | What are the different methods of pricing used in business? | 6M |
| | b | Define game theory and how is it applied in pricing decisions? | 6M |

UNIT-V

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| 9. | a | Explain the nature and measurement of national income | 6M |
| | b | Discuss the concept of inflation and its impact on business. | 6M |

OR

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| 10. | a | What is stagflation? How does it affect economic growth? | 6M |
| | b | Explain the relationship between business cycles and investment decisions. | 6M |

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| 11 | | Case Study | 15M |
| | | How do business cycles affect the operations, revenue, and strategic decisions of a company, with specific reference to its performance during periods of expansion, recession, and recovery? | |