

R19

Code No: 761AB

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

MBA I Semester Examinations, February/March - 2024

BUSINESS ECONOMICS

Time: 3hours

Max.Marks:75

- Note:** i) Question paper consists of Part A, Part B.
ii) Part A is compulsory, which carries 25 marks. In Part A, Answer all questions.
iii) In Part B, Answer any one question from each unit. Each question carries 10 marks and may have a, b as sub questions.

PART - A

(25 Marks)

- 1.a) Explain how business economics is related to other disciplines. [5]
- b) What is demand forecasting? Discuss the need for demand forecasting. [5]
- c) How do economies of scale impact the firms competitiveness? Explain. [5]
- d) Explain the price output determination under perfect competition in short run. [5]
- e) Discuss how pricing is influenced by product life cycle stages. [5]

PART - B

(50 Marks)

2. Explain the concepts of :
 - a) Opportunity cost
 - b) Discounting principle
 - c) Time perspective.[3+4+3]

OR

- 3.a) Elaborate the stages in business decision making process.
- b) Explain Nature and scope of business economics. [5+5]

- 4.a) Describe the different types of demands and brief on methods of demand forecasting.
- b) Explain types of price elasticity of demand. [6+4]

OR

5. Suppose the demand function for ABC butter in a town is estimated to be $Q_d = 600 - 5P$, where Q_d is the quantity demanded of milk (in 000 Kgs per week) and P stands for the price.
 - a) Estimate at what price demand would be zero
 - b) Draw a demand curve at alternative prices: Rs. 25, Rs.35, Rs. 50, Rs. 80 per Kg. [10]

- 6.a) How does a long run production function differ from a short run production function.
- b) Do you agree that break even analysis assists the performance evaluation and cost planning of organizations? Justify. [5+5]

OR

7. Explain briefly about
 - a) Isoquants and Isocosts
 - b) Determinants of cost
 - c) Marginal cost concepts.[4+3+3]

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8.a) "Monopoly price need not necessarily be high". Examine the statement with suitable example.

QA

b) Brief on price output determination in monopoly in long run.

QA

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[5+5]

OR

9.a) How do economists classify markets? Elaborate.

b) Describe the price-output determination under perfect competition.

[5+5]

QA

10. What are the objectives of pricing policy? Discuss about various price discrimination strategies with examples.

QA

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[10]

OR

11.a) Explain the Baumol's theory of sales revenue maximization.

b) Write a short note on Transfer pricing.

[5+5]

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