

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086.**  
**(For candidates admitted during the academic year 2015-16)**

**SUBJECT CODE: 15CM/ME/ME55**

**B.Com. (A & F) DEGREE EXAMINATION APRIL 2018**  
**ACCOUNTING AND FINANCE**  
**SIXTH SEMESTER**

**COURSE : MAJOR – ELECTIVE**  
**PAPER : MANAGERIAL ECONOMICS**  
**TIME : 3 HOURS**

**MAX. MARKS: 100**

**Section A**

**Answer ALL the questions.**

**(10 x 2 = 20)**

1. What is Managerial Economics?
2. How does Managerial economics differ from Economics?
3. Define Demand.
4. Define Price elasticity of demand.
5. What is meant by Production function?
6. What is meant by Returns to Scale?
7. What is an Imputed cost?
8. How will you define economics of scale?
9. What is meant by profit?
10. Define Profit Forecasting.

**Section B**

**Answer Any FIVE questions.**

**(5 x 8 = 40)**

11. Access the role of Managerial economist.
12. Give the uses of managerial economics.
13. Write short notes on:
  - (a) Incremental Principle
  - (b) Discounting principle
  - (c) Opportunity Cost Principle
14. What are the determinants of Market demand for a commodity?
15. Explain the law of variable proportion.
16. Write detailed note on long – run cost curves.
17. Discuss the aims of Profit policy.

**Section C**

**Answer Any TWO questions.**

**(2 x 20 = 40)**

18. Write a note on the nature and scope of Managerial economics.
19. Discuss critically the different techniques of demand forecasting.
20. Why is short run average cost curve “U” – shaped? Explain the relationship between SAC & SMC.
21. Explain break even analysis. Give the managerial uses of break – even analysis as a tool for profit forecasting.

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