STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 600086
B.A DEGREE EXAMINATION, APRIL 2018
BRANCH IV – ECONOMICS

SUBJECT CODE: 15EC/UI /MG23
PAPER : MANAGERIAL ECONOMICS

TIME   : 3 HOURS
MAX MARKS :100

Section – A
Answer any TEN the questions. Each answer shall not exceed 50 words   (10 x 2 = 20)

1. What is a leading series?
2. Give one reason why the concept of opportunity cost is important in managerial decision.
3. Differentiate sunk cost and incremental cost.
4. What is transfer pricing?
5. What is peak load pricing?
6. Mention some sources of capital.
7. What is the pay-back period method?
8. Give two assumptions of Linear Programming.
9. Mention the criteria of a good forecasting technique.
10. Draw the break even chart.
11. Differentiate between average cost and marginal cost.
12. Give any two reasons why profit planning is important.

Section – B
Answer any FIVE questions. Each answer shall not exceed 400 words.   (5 x 8 = 40)

13. Explain some of the methods or techniques used by a firm to solve business problems.
14. Discuss the various tools of cost control.
15. Explain the objectives of pricing
16. What are the essential elements in profit planning?
17. What are the various demand distinctions?
18. Explain the difference between cost control and cost reduction.
19. What is the difference between cost control and cost reduction?
20. What is the dual problem? Explain with an example.

Section - C
Answer any TWO questions. Each answer shall not exceed 1000 words.   (2 x 20 = 40)

21. Discuss the methods of demand forecasting.
22. Explain the various methods of project appraisal.
23. Discuss the uses of Break Even Analysis.
24. Explain the various areas in which Linear Programming can be applied.