

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI-600 086

B.A DEGREE: BRANCH IV-ECONOMICS

MANAGERIAL ECONOMICS

END SEMESTER EXAM- NOVEMBER 2018

CODE: 15EC/UI/MG23

TIME: 3HRS

MAX MARKS:100

SECTION-A (10X2=20)

Answer any Ten Questions. Answer not to exceed 50 words.

1. Define demand.
2. Bring out the scope of managerial economics.
3. What is meant by profit planning?
4. Distinguish between fixed cost and variable cost with suitable examples.
5. What is peak load pricing?
6. Define a break- even point.
7. List out the criteria for a good forecasting.
8. Distinguish between cost control and cost reduction.
9. What is a dual problem?
10. What is meant by cost of capital?
11. What is NPV? How is it measured?
12. What is a zero sum game?

SECTION – B (5X8=40)

Answer any Five Questions. Answer not to exceed 400 words.

13. Explain the demand distinctions.
14. Describe the cost output relationship in the short run.
15. Examine the relationship between AFC, AVC and AC.
16. Elucidate the objectives of pricing.
17. Distinguish between constrained profit maximization and constrained cost minimization.
18. Write a short note on capital rationing.
19. Examine the role of a manager.
20. Discuss the application of linear programming in managerial economics.

SECTION-C (2X20=40)

Answer any Two Questions. Answer not to exceed 1000 words.

21. What is demand forecasting? Explain the various techniques of demand forecasting.
22. Discuss the pricing strategy adopted by the manager over the life cycle of a product with suitable examples.
23. Explain the structuring of the dual problem. How is the dual problem solved?
24. What is investment evaluation? Discuss the different methods of project appraisal.