

MAY 2011

P/ID 77714/MBN1C

Time : Three hours

Maximum : 100 marks

SECTION A — (10 × 3 = 30 marks)

Answer any TEN questions.

All questions carry equal marks.

Write short notes on the following :

1. Micro Economics.
2. Demand Analysis.
3. Law of Demand.
4. Demand forecasting.
5. Product function.
6. Cost analysis.
7. Cost outputs relationship.
8. Supply analysis.
9. Oligopoly pricing.
10. Duopoly pricing.

11. Monopolistic competition.
12. Economic profit.

SECTION B — (5 × 6 = 30 marks)

Answer any FIVE questions.

All questions carry equal marks.

13. Indicate the scope of managerial economics.
14. Briefly state the relationship between managerial economics and macro economics.
15. Explain the concepts of elasticity of demand with illustration.
16. Analyse the features of good forecasting method.
17. State the factors that influencing the price of a commodity.
18. Explain about the pricing methods of “manufacturers” and “Retailers”.
19. What is profit forecasting? Describe the approaches to profit forecasting.
20. Analyse the different forms of capital budgeting.

SECTION C — (2 × 20 = 40 marks)

Answer any TWO questions.

All questions carry equal marks.

21. “Economics is the study of man's action in the ordinary business of life”. Explain the statement.
 22. Explain the law of variable proportion with the help of table and diagramme. Give the essential conditions for its applicability.
 23. “In a perfectly competitive equilibrium the price of a commodity is equal to marginal and average cost of production”. Explain.
 24. What is monopolistic competition? Determine short period equilibrium of firm in the short period.
-