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(Pages : 2)

Reg. No.....

Name.....

**B.A. DEGREE (C.B.C.S.S.) EXAMINATION, APRIL 2018**

**Fourth Semester**

Branch : B.A. Corporate Economics

Core Course—MANAGERIAL ECONOMICS—II

Time : Three Hours

Maximum Marks : 80

**Part A (Definition Type Questions)**

*Answer all questions in one sentence each.*

*Each question carries 1 mark.*

Define the following :

1. Risk.
2. Innovation.
3. Entrepreneur.
4. Project.
5. Capital Budget.
6. Decision Criteria.
7. Management.
8. Net Profit
9. Uncertainty.
10. Mixed strategy.

(10 × 1 = 10)

**Part B**

*Answer any eight of the following questions in a paragraph each.*

*(Not exceeding 100 words).*

*Each question carries 2 marks.*

10. What is Going Rate Pricing ?
11. What is Project Appraisal ?
12. What is Dual Pricing ?
13. What is Saddle Point ?
14. What is a Pure Strategy ?
15. What is Rent Theory of Profit ?

**Turn over**

16. What is Customary Pricing ?
17. What is NPV ?
18. What is Decision Making ?
19. What is Entrepreneurship Development ?
20. What is Dominant Strategy ?
21. What is the significance of an Entrepreneur ?

(8 × 2 = 16)

### **Part C (Short Essays)**

*Answer any **six** of the following questions in **one and a half** pages each.*

*(Not exceeding 150 words).*

*Each question carries 4 marks.*

22. Explain Full Cost Pricing.
23. Discuss the idea of Mark-Up Pricing.
24. Distinguish between Accounting Profit and Economic Profit.
25. Explain the Wage Theory of Profit.
26. Explain the need for Capital Budgeting.
27. Explain Payback Period Method.
28. Write a Note on Managerial Decision Making.
29. Explain MaxiMini and MiniMax strategies.
30. Write a Note on Game Theory.

(6 × 4 = 24)

### **Part D (Long Essays)**

*Answer any **two** of the following questions.*

*(Not exceeding **four** pages each).*

*Each question carries 15 marks.*

31. Explain life cycle of a product. Discuss the pricing strategy adopted for different stages.
32. Discuss the Innovation Theory of Profit proposed by Schumpeter.
33. Explain the IRR Method of appraising Project Profitability. What are its merits and demerits ?
34. Explain cooperative and Non-Cooperative Game theory. Explain Prisoner's Dilemma.

(2 × 15 = 30)