

**BA DEGREE (CBCS) EXAMINATION, OCTOBER 2019****Third Semester**

B.A Corporate Economics Model III

CORE COURSE - EC3CRT07 - MANAGERIAL ECONOMICS - I

2017 Admission Onwards

91A32509

Maximum Marks: 80

Time: 3 Hours

Part A*Answer any ten questions.**Each question carries 2 marks.*

1. Define managerial economics
2. Distinguish between the incremental principle and marginal principle.
3. Distinguish between individual demand curve and market demand curve
4. Define elasticity of demand
5. Mention the uses of demand forecasting.
6. Define time series data
7. What are the methods of demand estimation for new products?
8. What is the importance of the Cobb-Douglas production function?
9. Define isoquant
10. Distinguish between short run cost and long run cost
11. What is break even point?
12. What is the practical application of linear programming?

(10×2=20)

Part B*Answer any six questions.**Each question carries 5 marks.*

13. What are the steps in managerial decision making?
14. Argue the case for opportunity cost principle of demand forecasting.



15. Why does the demand curve slope downwards?
16. What is meant by demand function? Explain the determinants of demand.
17. Distinguish between production planning and sales forecasting.
18. What are the different forms of firms?
19. Distinguish between economies of scale and economies of scope
20. Explain the relationship between average cost and marginal cost with suitable diagram.
21. Explain budgetary control and standard costing as techniques of cost control.

(6×5=30)

Part C

Answer any two questions.

Each question carries 15 marks.

22. Define price elasticity of demand. Comment on the various measurements of the price elasticity.
23. How do you estimate the demand for new products?
24. Examine relationship between cost control and cost reduction
25. What is the significance of break even analysis in pricing process?

(2×15=30)

