

**AVINASHILINGAM INSTITUTE FOR HOME SCIENCE AND HIGHER  
EDUCATION FOR WOMEN, COIMBATORE- 43  
MASTER'S DEGREE EXAMINATION – NOVEMBER 2017  
SEMESTER – I**

**CLASS : I PG  
MAJOR: M.com/ M.com CA**

**TIME: 3 HOURS  
MAX. MARKS : 60**

**17MCOCO2/17MCCCO2-MANAGERIAL ECONOMICS**

**PART – A**

**(10\*1/2=5)**

**Choose the correct answers:**

1. Managerial Economics deals with the problems of -----  
a) Individual Firm/ Industry b) Consumers c) Employees d) Society as a whole
2. Law of demand indicates the relationship between the price of a commodity and -----  
a) Quality supplied      b) Quantity supplied  
c) Quantity demanded d) Income of the consumer
3. Giffen goods mean ----- goods  
a) Industrial b) Inferior c) Essential d) Superior
4. Technical relationship between factor inputs and outputs is called-----  
a) Production function b) Supply function c) Demand function d) None.
5. The cost of best alternate foregone is called -----  
a) Opportunity cost b) Incremental cost c) Sunk cost d) Imputed cost
6. Break even point indicates the sales volume at which there will be -----  
a) Maximum profit b) Minimum profit c) Minimum loss d) No profit no loss.
7. Monopoly refers to -----  
a) Many sellers b) Few sellers c) Two sellers d) Only one seller
8. Setting a low price while introducing a product is called -----  
a) Skimming pricing b) Penetration pricing c) dual pricing d) administered pricing
9. Fiscal policy is otherwise called as -----  
a) monetary policy b) budgetary policy c) exim policy d) none
10. A study of income and expenditure of the Government is known as -----  
a) Public finance b) Public expenditure c) Public revenue d) Public debt

**PART -B**

**(5X4=20 MARKS)**

**Answer the following**

**Each answer should not exceed 200 words or one page.**

11. a) Explain the objectives of a business firm.  
OR  
b) Bring out the role of managerial economist.
12. a) Explain Law of demand.  
OR  
b) What is cross elasticity ? Explain with example.
13. a) Explain cost-output relationship in the short run  
OR  
b) Explain Break-even analysis.
14. a) Bring out the objectives of pricing.  
OR  
b) Explain price discrimination.
15. a) What are the problems in measuring National Income.  
OR  
b) Explain the causes of inflation.

**PART -C**

**(5X7=35 MARKS)**

**Answer the following**

**Each answer should not exceed 600 words or three pages.**

16. a) Describe the Nature and Scope of managerial economics.  
OR  
b) How managerial economics is related with other disciplines.
17. a) Explain the short-term and long-term purposes of demand forecasting  
OR  
b) Explain Demand distinctions
18. a) Explain various cost concepts.  
OR  
b) Explain production function with one variable input.
19. a) Bring out the characteristics of perfect competition  
OR  
b) Explain price out-put determination under monopolistic competition.
- 20 a) What are the phases of business cycles ?  
OR  
b) What are the various instruments of monetary policy?