FIRST SEMESTER M.COM. DEGREE EXAMINATIONS, NOVEMBER 2003

PAPER 1.5 : MANAGERIAL ECONOMICS

Time: 3 Hours

Max. Marks: 80

SECTION – A (4x10=40)

Note: Answer any FOUR questions. Each question carries 10 marks.

1. Define managerial economics and discuss its scope.

2. State and explain the law of demand. What are its exceptions?

3. State briefly the basic differences between sunk, shut-down and abandonment costs.

4. Explain the cost-output relationship in the short-run.

5. Explain the nature and managerial uses of production function.

6. "Under perfect competition, firm is price taker and not a price maker". Explain.

7. What is a business cycle? Describe its various phases.

SECTION – B (2x20=40)

Note: Answer any TWO questions. Each question carries 20 marks.

8. Discuss critically the different methods of forecasting demand of established products.

9. State the salient features of LAC curve and explain its usefulness in managerial decision making. Why is it known as a planning curve?

10. What is oligopoly? Explain price rigidity under oligopoly in terms of kinked demand curve.

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