

**E 1703**

(Pages : 3)

Reg. No. 160021101203

Name Shalag

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

**Fourth Semester**

**Complementary Course—MANAGERIAL ECONOMICS**

(2013 Admission onwards)

Time : Three Hours

Maximum Marks : 80

**Part A**

*Answer all questions.*

*Each question carries 1 mark.*

1. What do you mean by Macro Economics ?
2. What is opportunity cost ?
3. What is cross elasticity ?
4. What is derived demand ?
5. What is business cycle ?
6. What is demand curve ?
7. What do you mean by Marginal Product ?
8. Define price skimming.
9. What is a Central bank ?
10. What is meant by perfect competition ?

(10 × 1 = 10)

**Part B**

*Answer any eight questions.*

*Each question carries 2 marks.*

11. Explain the importance of micro economics.
12. Distinguish between company demand and industry demand.
13. What are the factors determining elasticity of demand ?
14. Mention the characteristics of a production function.
15. What are the external economies of scale ?

Turn over



16. What is inflation ? Mention its causes.
17. What are the reasons for penetration price policy ?
18. What is marginal cost pricing ?
19. State the salient features of recession.
20. What is monopoly ? Mention its features.
21. What is meant by mixed economy ? State its features.
22. Explain the meaning of :
  - (a) Fiscal policy.
  - (b) Monetary policy.

(8 × 2 = 16)

### Part C

*Answer any six questions.  
Each question carries 4 marks.*

23. Discuss the role of a managerial economist.
24. State the law of demand. What are the exceptions to the law of demand ?
25. What do you mean by optimum combination of inputs ? How is it determined ?
26. Explain the Cobb-Douglas production function.
27. Explain and illustrate isoquants and isocost curves.
28. Explain and illustrate the law of consumer surplus. What are its limitations ?
29. Write notes on :
  - (a) Monopolistic Competition.
  - (b) Oligopoly.
30. Mention the objectives of pricing policy. What are the factors to be considered when formulating a pricing policy ?
31. Discuss the functions of a Central bank.

(6 × 4 = 24)



**Part D**

*Answer any two questions.*

*Each question carries 15 marks.*

32. Define managerial economics. Discuss the nature, scope and importance of managerial economics.
33. State the law of diminishing marginal utility. Bring out its assumptions, exceptions and practical importance.
34. Explain the functions of Commercial Banks.
35. Explain the law of diminishing returns and its relevance to business decisions.

(2 × 15 = 30)