

**MANAGERIAL ECONOMICS****SECTION – A (10 X 1 = 10 MARKS)****ANSWER THE FOLLOWING QUESTIONS.****MULTIPLE CHOICE QUESTIONS.****(K1)**

1. What are the basics for Managerial Economics decision making process?
  - a) economic Theories
  - b) Economic and Psychological Theories
  - c) Economic Theories and Scientific Decision methods
  - d) Consumerism.
2. What are the basic objectives of a Firm?
 

a) Profit Maximisation	b) Large Scale Production.
c) High Investment.	d) Direct Growth.
3. Which factor does the function of combining the other factors of production?
 

a) Land	b) Labour.
c) Capital	d) Entrepreneurship.
4. Market with single Producer is .....
 

a) Perfect Competition	b) Monopolistic Competition.
c) Oligopoly	d) Monopoly.
5. The average income of a country is called.....
 

a) Per capital income	b) Disposable income
c) Inflation rate	d) Real national income.

**ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES.****(K2)**

6. Define Managerial Economics.

7. What is meant by demand analysis ?

8. What is Monopolistic Market?

9. What is an Isoquant?

10. What is National Income?

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**SECTION – B (5 X 5 = 25 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. a) Explain the role of Managerial Economics.  
**(OR)**

b) Distinguish between Economics and Managerial Economics.

12. a) Illustrate the Law of Demand.  
**(OR)**

b) Explain briefly the cross elasticity of demand.

13. a) Write a note on the assumption of Production function.  
**(OR)**

b) How will you measure the Cost and Output relationship?

14. a) Explain the features of perfect competition.  
**(OR)**

b) Describe the Characteristics of Monopoly Market.

15. a) State and explain the methods of calculating National Income.  
**(OR)**

b) Explain the four phases of the business cycle.

**SECTION – C (5 X 8 = 40 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K4 (Or) K5)**

16. a) Explain the importance of Managerial Economics in business practices.  
**(OR)**

b) Point out the fundamental concepts of Managerial Economics.

17. a) Diagrammatically explain the Law of Diminishing Return to Scale.  
**(OR)**

b) Discuss Business Forecasting and Economics Forecasting.

18. a) Explain the Cobb Douglas Production Function.  
**(OR)**

b) Explain the relationship between Economics and Diseconomies of Scale.

19. a) Differentiate between Monopoly and Perfect Competition.  
**(OR)**

b) Illustrate the Price Discrimination in Monopolistic Competition.

20. a) Explain the various types of Inflation  
**(OR)**

b) Explain the various methods of correcting the disequilibrium in the BOP.

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