

APRIL 2021

72202/MBM1A

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Time : Three hours

Maximum : 75 marks

PART A — (10 × 2 = 20 marks)

Answer any TEN questions.

1. What are the merits and drawbacks of Marshall's definition of economics?
2. Give the meaning of managerial economics.
3. What is meant by 'Demand' in economics?
4. Why do people demand more if the prices fall?
5. What is the difference between law of demand and elasticity of demand?
6. Explain the Break – even point.
7. What are the determinants of supply functions?
8. State the assumptions of the indifference curve technique.
9. List out the different types of pricing policy.
10. Define the term 'Price discrimination'.

11. Mention the features of monopoly.
12. Explain oligopoly.

PART B — (5 × 5 = 25 marks)

Answer any FIVE questions.

13. Explain the importance of managerial economics.
14. Explain the significance of Robbin's definition of economics.
15. Explain the different types of elasticity demand.
16. Explain Increasing returns to scale.
17. Explain the assumption of law of variable proportion.
18. Explain the objectives of pricing policy.
19. How price is determined under perfect competition?

PART C — (3 × 10 = 30 marks)

Answer any THREE questions.

20. Describe briefly health, welfare and scarcity views of economics.
21. Describe the nature and managerial uses of production function.

22. Enumerate the factors involved in demand forecasting.
23. What is meant by monopolistic competition? How does a firm take its pricing and output decisions under it?
24. What is meant by pricing policy? Analyse the factors involved in pricing policy.

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