 LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

 **M.COM.** DEGREE EXAMINATION - **COMMERCE**

SECOND SEMESTER – **APRIL 2012**

# EC 2901 - MANAGERIAL ECONOMICS

 Date : 28-04-2012 Dept. No. Max. : 100 Marks

 Time : 9:00 - 12:00

**PART – A**

**Answer any FIVE questions in about 75 words each:**  **(5X4=20 marks)**

1. Define managerial economics.
2. What are the criteria of a good forecasting?
3. What is promotional elasticity?
4. What is meant by opportunity cost?
5. State the Kotler’s additional objectives of pricing policy.
6. Define accounting profit.
7. What is meant by profit forecasting?

**PART – B**

**Answer any FOUR questions in about 300 words each:**  **(4X10=40 marks)**

1. Explain the scope of managerial economics in the modern business.
2. What are the important demand distinctions in the business studies?
3. Briefly explain the business applications of price elasticity of demand.
4. What is cost control? Explain the tools of cost control.
5. Explain the price differentials based on buyers’ location.
6. Firms do not always try to maximize profits- Elucidate.
7. How to determine distributors’ discounts?

**PART – C**

**Answer any TWO questions in about 900 words each: (2X20= 40 marks)**

1. Explain the various methods of demand forecasting with suitable illustration.
2. Examine the nature of short run and long run cost curves and their determinants.
3. Describe the different methods of pricing employed in business.
4. What is break-even point? Examine the managerial uses of break even analysis.

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