# LOYOLA COLLEGE (AUTONOMOUS), CHENNAI - 600 034

# **B.A.** DEGREE EXAMINATION – **ECONOMICS**

FIFTH SEMESTER - NOVEMBER 2007

### EC 5402 - MANAGERIAL ECONOMICS

**AN 11** 

Date: 03/11/2007 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. Distinguish between skimming and penetration pricing.
- 2. Define demand forecasting.
- 3. What is meant by capital budgeting?
- 4. Define managerial economics.
- 5. Explain the meaning of cost of capital.
- 6. list out the internal and external factors of business decision.
- 7. What is factor load pricing?

#### **PART-B**

# Answer any four questions in about 250 words

(4x10=40 Marks)

- 8. Explain the cost control and cost reduction techniques.
- 9. Bring out the scope of managerial economics.
- 10. Explain the methods of pricing a new product.
- 11. Bring out the objectives of capital budgeting
- 12. Explain the philosophy of product line pricing.
- 13. What are the decision-making processes of the business firm? Explain
- 14. What are the determinants of demand forecasting?

### **PART-C**

## Answer any two questions in about 900 words

(2x20=40 Marks)

- 15. Describe the various methods of demand forecasting.
- 16. Critically examine the Break-even point analysis.
- 17. Diagrammatically explain the pricing over the life cycle of a product.
- 18. Elucidate the various cost concepts analysis with diagram.

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