Reg. No. ☐☐☐☐☐☐☐☐

# BBABMC 155/BBMBMC 155

**Credit Based Second Semester B.B.A./B.B.M.**
**Examination, April/May 2018**
**(2012 Scheme)**
**MANAGERIAL ECONOMICS**

Time : 3 Hours

Max. Marks : 80

**Instructions :** *A single answer booklet containing 40 pages will be issued. No additional sheets will be issued.*

## SECTION – A

1. Answer **any ten** in **2-3** sentences **each**. **One** mark **each** :　　　　(1×10=10)

　　a) What is dumping ?

　　b) Distinguish between explicit cost and implicit cost.

　　c) Define market.

　　d) What do you mean by bilateral monopoly ?

　　e) How is the average fixed cost (AFC) calculated ?

　　f) State any two criteria of an ideal demand forecasting technique.

　　g) What is opportunity cost ?

　　h) Can a firm enjoy super normal profit in the long run under perfect competition.

　　i) State the law of diminishing returns.

　　j) What do you mean by indeterminate demand curve ?

　　k) Define marginal revenue.

　　l) What do you mean by selling cost ?

## SECTION – B

Answer **any five** in **not** more than **two** pages. **Five** marks **each** :　　　　(5×5=25)

2. Distinguish between fixed cost and variable cost.

3. Bring out the features of perfect competition.

4. Classify monopoly.

5. Explain the equilibrium of a firm with the help of MR and ML approach.

6. Describe the meaning by and importance of capital budgeting.

7. Explain the relationship between AR and MR under perfect competition and monopoly.

8. Describe Baumol's soly maximisation model.

## SECTION – C

Answer should **not** exceed **six** pages **each** :                                    (15×3=45)

9. Explain the equilibrium of a firm and industry in the short run and long run under conditions of perfect competition.

### OR

Define managerial economies and explain its scope.

10. Explain the cost-output relationship in the short run with suitable examples and diagrams.

### OR

Define monopolistic competition. Explain the price-output determination under monopolistic competition.

11. What are the objectives of demand forecasting ? Explain the different techniques of forecasting demand ?

### OR

State and explain the law of variable proportions that govern production.

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