

Madras University

M.C.A Managerial Economics Question paper

Time: Three hours

Maximum: 75 marks

Passing Minimum : 38 marks

PART A - [5 x 5 = Marks 25]

Answer ALL questions.

All questions carry equal marks.

1. (a) How is price determined in the market?

Or

(b) Explain the different types of elasticity of demand.

2. (a) Bring out the need for controlling monopolies.

Or

(b) Distinguish between risks and uncertainties in the determination of profit.

3. (a) Define a stock exchange. How does it help in capital formation?

Or

(b) Elucidate the theories on determination of interest for capital.

4. (a) What is trade cycle? Suggest the policy measures to control and regulate it.

Or

(b) Differentiate balance of payments from balance of trade.

5. (a) Point out the pricing policies adopted by the producers under different market structures.

Or

(b) Enumerate the objectives of modern industrial and business firms, other than the objective of profit maximisation.

PART B - [5 x 10 = Marks 50]

Answer any Five questions.

All questions carry equal marks.

6. Discuss the managerial uses of the concept of elasticity of demand.
7. Explain the oligopoly models in price determination, with special reference to 'kinky demand curve analysis'.
8. Elucidate 'multiplier' and 'accelerator'. 9. why is controlling trade cycles essential? Evaluate the chief stabilisation policies and point out their limitations.
10. Describe the 'sales or revenue maximisation theory' of Baumol.
11. How a long-run average cost curve is derived from a series of short-run average cost curves?
12. What is the purpose of demand forecasting? Discuss demand forecasting methods for consumption goods and capital goods.
13. Evaluate the nature of capital budgeting issue. what are the basic methods of ranking alternative investment proposals?