

SARASWAT VIDYALAYA'S
SRIDORA CACULO COLLEGE OF COMMERCE & MGMT STUDIES
KHORLIM, MAPUSA-GOA
B.COM SECOND SEMESTER END EXAMINATION APRIL 2018
W-E-F 2013-14 (NEW SYLLABUS)

Duration: 2 Hours

Sub: Managerial Economics

Max. Marks: 80

Q.1 Write short notes on any four:

(4x4=16)

- i) Cartels
- ii) Cyclical pricing
- iii) TR, AR, and MR
- iv) Target return pricing
- v) Duopoly
- vi) Price forecasting

Q.2A With appropriate graphs, explain price- output determination in the short run under perfect competition.

(12)

OR

Q.2B With appropriate graphs, explain price-output determination under monopoly in the short run and state three features of monopoly.

(12)

Q.3A Explain the various methods of competition based pricing.

(12)

OR

Q.3B What are the general considerations and objectives of pricing policy?

(12)

Q.4 Write short notes on any four:

(4x4=16)

- i) Assumptions of break-even analysis
- ii) Kinds of profit
- iii) Calculate break-even point if TFC is Rs. 5000, price per unit is Rs. 7.00 and variable cost per unit is Rs. 4.50.
- iv) Importance of capital budgeting
- v) Approaches to determine the size of capital budget
- vi) Calculate payback period and rank the following proposals:

Proposal	Initial Investment (Rs.)	Annual Cash Flow (Rs.)	Life in years
1	1,50,000	40,000	6
2	2,50,000	85,000	5
3	3,00,000	92,000	12

Q.5A Explain any four uses and limitations each of break-even analysis. Calculate the target sales volume needed to earn a profit of Rs.12000 when TFC is Rs.20000 and variable cost per unit is Rs. 10 and the price per unit is Rs. 15. (12)

OR

Q.5B Draw three graphs to illustrate and explain break-even analysis. (12)

Q.6A Explain with suitable examples, the concepts of certainty, risk and uncertainty. (12)

OR

Q.6B Calculate the Net Present Value Index on the basis of the following data and rank the proposals: (12)

Proposal	Initial Investment (Rs.)	Annual Cash Flow (Rs.)	Life in years	Discount Factor (10%)
1	1,20,000	24,000	15	7.7688
2	1,76,000	45,000	22	8.8919
3	4,300	3000	3	2.5918
4	41,000	9000	10	6.3213
5	8,50,000	4,50,000	20	8.6466