

Time : Three hours Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

Define Inflation. What are the factors influencing inflation.

How international economics has a relevance and scope in international business?

Explain the importance of demand analysis in managerial economics.

What are the objectives of pricing policy?

Differentiate between balance of trade and balance of payments.

State the various methods of investment analysis.

What is break-even point?

What is cost control? Define the techniques of cost control.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

Explain the methods of computing national income.

What are the major problems faced by a businessman in the international trade?

Define deflation. What are the factors influencing deflation?

Discuss the nature and scope of managerial economics.

Explain the purpose and methods of demand forecasting.

Explain the nature and utilities of break-even analysis.

What is ROI? Why should business concern limit the profit?

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