

FIRST SEMESTER B.Com. DEGREE EXAMINATION, NOVEMBER 2015

(CUCBCSS—UG)

Complementary Course

BCM 1C 01—MANAGERIAL ECONOMICS

Time : Three Hours

Maximum : 80 Marks

Part A*Answer **all** the questions.**Each question carries 1 mark.*

1. Modern definition of Economics is also called _____
2. Diamonds and precious stones are examples for _____ ~~goods~~ . _____
3. Want satisfying power of commodity is called _____
4. When inputs are increased in a given proportion and the output also increase in the same proportion it is _____ to scale.
5. The costs which are not paid in cash to anyone are _____ ~~Cost~~ . _____
6. Which one of the following is an example for secular factor influencing business activities ?
 - (a) Strikes.
 - (b) Consumption pattern.
 - (c) Natural disaster .
 - (d) Recession.
7. Which of the following is an external factor governing pricing decision ?
 - (a) Marketing mix.
 - (b) Product life cycle.
 - (c) Reaction of customer.
 - (d) Objectives.
8. Oligopoly is an important form of :
 - (a) Perfect competition.
 - (b) Monopoly.
 - (c) Imperfect competition.
 - (d) Monopolistic competition.
9. Macroeconomic theory is also called as :
 - (a) Demand theory.
 - (b) Price theory.
 - (c) Income theory.
 - (d) None of these.

Turn over

10. Law of demand shows the functional relationship between _____ and quantity demanded.
- (a) Supply. (b) Cost.
(c) Price. _____ (d) Requirements.

(10 x 1 = 10 marks)

Part B

*Answer any **eight** questions.
Each question carries 2 marks.*

11. Define Managerial Economics.
12. Explain the law of demand.
13. What do you mean by barometric technique of demand forecasting ?
14. What are isoquants ?
15. What do you mean by social cost of production ?
16. What is price mechanism ?
17. What is monopoly ?
18. What do you mean by follow up pricing ?
19. What is business cycle ?
20. What do you mean by economic forecasting ?

(8 x 2 = 16 marks)

Part C

*Answer any six questions.
Each question carries 4 marks.*

21. Define decision-making ? Explain the steps in decision-making.
22. Explain the reasons for the downward sloping of demand curve.
23. What is demand estimation ? Explain the techniques for demand estimation.
24. State and illustrate the law of variable proportion.
25. Explain the cost output relationship in the long run.
26. Explain the factors affecting pricing of new product.
27. What are the different stages of a business cycle ?
28. Explain the different types of price discriminations.

(6 x 4 = 24 marks)

Part D

*Answer any two questions.
Each question carries 15 marks.*

29. Explain the economies and diseconomies of large scale production.
30. What is perfect competition? Explain how price and outputs are determined under perfect competition?
31. Define managerial economics. Explain its objective and scope.

(2 x 15 = 30 marks)