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(Pages : 8)

Name.....

Reg. No.....

FIRST SEMESTER B.Com./B.B.A. DEGREE EXAMINATION, NOVEMBER 2018

(CUCBCSS—UG)

Complementary Course

BCM 1C 01—MANAGERIAL ECONOMICS

(2014 Admissions)

(Multiple Choice Questions for SDE Candidates)

Time : 15 Minutes

Total No. of Questions : 20

Maximum : 20 Marks

INSTRUCTIONS TO THE CANDIDATE

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer-book.
4. The MCQ question paper will be supplied after the completion of the descriptive examination.

BCM 1C 01—MANAGERIAL ECONOMICS

(Multiple Choice Questions for SDE Candidates)

1. Wealth (Classical) definition of economics is given by :
(A) A. C. Pigou. (B) Lionel Robbins.
(C) Adam Smith. (D) Alfred Marshall.
2. Welfare (neo-classical) definition of economics is given by :
(A) J. B. Say. (B) Lionel Robbins.
(C) Adam Smith. (D) Alfred Marshall.
3. Macro economics is concerned with :
(A) The theory of firm. (B) Household expenditure.
(C) General price level. (D) Individual consumer behavior.
4. If the commodities are substitute in nature, cross elasticity will be :
(A) Negative. (B) Positive.
(C) Zero. (D) Any of the above.
5. Outlay method of measurement of elasticity is also called as :
(A) Percentage method. (B) Expenditure method.
(C) Point method. (D) Geometric method.
6. ——— method measures elasticity between two points.
(A) Proportional or Percentage Method.
(B) Outlay Method.
(C) Geometric method.
(D) Arc Method.
7. ——— forecasting is more important from managerial view point as it helps the management in decision-making with regard to the firms demand and production.
(A) Macro level. (B) Industry level.
(C) Firm level. (D) None of these.

8. In ——— approach, the demand for new product is estimated on the basis demand of existing product.
- (A) Growth curve approach. (B) Evolutionary approach.
(C) Opinion polling approach. (D) Vicarious approach.
9. In ——— pricing fixed cost are excluded.
- (A) Skimming pricing. (B) Going rate pricing.
(C) Administered pricing. (D) Marginal cost pricing.
10. Cost plus pricing is also called :
- (A) Margin pricing. (B) Full cost pricing.
(C) Mark up pricing. (D) All the above.
11. Which is the condition of for market penetration ?
- (A) High price elasticity of demand in the short run.
(B) Savings in production costs.
(C) Threat of potential competition.
(D) All of these.
12. The demand curve of a firm in the case of perfect competition is :
- (A) Parallel to output axis. (B) Increasing with the output axis.
(C) Decreasing with the output axis. (D) Complete.
13. A firm that is the sole seller of a product without close substitutes called :
- (A) Monopoly. (B) Oligopoly.
(C) Competition. (D) Bureaucracy.
14. Marginal revenue is ——— at the quantity that generate maximum total revenue and negative beyond that point.
- (A) Zero. (B) One.
(C) +1. (D) - 1.
15. Which of the following is not a macroeconomic concept ?
- (A) Business cycle. (B) National income.
(C) Government policy. (D) None of these.

Turn over

16. In business cycle concept, the period of "long wave" is of :
- (A) 25 years. (B) 50 years.
(C) 100 years. (D) 200 years.
17. The "law of variable proportion" is first explained by :
- (A) Edward west. (B) Marshall.
(C) Veblen. (D) Keynes.
18. Related to production function, MRTS stand for :
- (A) Marginal revenue and total sales. (B) Minimum revenue from total sales.
(C) Marginal rate of total supply. (D) Marginal rate of technical substitution.
19. In perfect completion, a firm is a :
- (A) Price maker. (B) Price taker.
(C) Both of the above. (D) None of these.
20. Selling at a lower price in export market and at a higher price at home market is called :
- (A) Export subsidy. (B) Dumping.
(C) Price cut. (D) All the above.

FIRST SEMESTER B.Com./B.B.A. DEGREE EXAMINATION, NOVEMBER 2018**(CUCBCSS—UG)****Complementary Course****BCM 1C 01—MANAGERIAL ECONOMICS****(2014 Admissions)****Time : Three Hours****Maximum : 80 Marks****Part A***Answer all questions.**Each question carries 1 mark.***(A) Choose the correct answer :****1 MRTS stands for ———.**

- (a) Marginal rate of technical structure.
- (b) Marginal rate of technical substitution.
- (c) Both (a) and (b).
- (d) None of these.

2 Factors of production are :

- (a) Inputs and outputs.
- (b) Outputs only.
- (c) Inputs only.
- (d) The minimum set of inputs that can produce a certain fixed quantity of output.

3 Costs that change between alternatives are called :

- (a) Fixed costs.
- (b) Opportunity costs.
- (c) Relevant costs.
- (d) Sunk costs.

4 If goods are complements, definitely their :

- (a) Income elasticity's are negative.
- (b) Income elasticity's are positive.
- (c) Cross elasticity's are positive.
- (d) Cross elasticity's are negative.

Turn over

5 Which of the following method of pricing is popular in whole sale and retail trades ?

- (a) Full cost pricing. (b) Marginal cost pricing.
(c) Customary pricing. (d) None of these.

(B) Fill in the blanks :

- 6 _____ regarded as father of business economics.
7 Price rigidity is an important feature of _____.
8 Economic costs = _____ + _____.
9 Money costs are also known as _____.
10 _____ is the base of marketing planning.

(10 × 1 = 10 marks)

Part B (Short Answer Questions)

Answer any eight questions.

Each question carries 2 marks.

11. What is collusion ?
12. What do you mean by consumer surplus ?
13. What are lumpy goods ?
14. What is demand estimation ?
15. What are diseconomies of scale ?
16. What is social cost ?
17. What do you mean by income effect ?
18. What is floor price ?
19. Explain convexity of an isoquant.
20. What is cross demand ?

(8 × 2 = 16 marks)

Part C (Short Essay Questions)

Answer any six questions.

Each question carries 4 marks.

21. What is elasticity of demand ? State the factors determining elasticity.
22. Describe the various advantages of large scale production.

23. Distinguish between short run cost and long run cost.
24. What is price discrimination ? Explain its different forms.
25. Explain different forms of market conditions.
26. Explain the cost output relationship in long run.
27. What is isoquant ? Explain its features.
28. Mention the factors responsible for long run average cost curve being U-shaped.

(6 × 4 = 24 marks)

Part D (Essay Questions)

Answer any two questions.

Each question carries 15 marks.

29. What are cyclical fluctuations ? Mention their causes. How they can be cured ?
30. What is pricing ? Explain methods and objectives of pricing policy of a firm.
31. Define Demand. Discuss the determinants of consumer demand and market demand.

(2 × 15 = 30 marks)