FIRST SEMESTER B.B.A. DEGREE EXAMINATION, JANUARY 2012 (CCSS)

B.Com/B.B.A.— BCIC01—MANAGERIAL ECONOMICS

Time: Three Hours   Maximum : 30 Weightage

Answer all twelve questions.

Choose the correct answer:

1. The main objective of business is :

    (a) To make profit.   (b) To maximise profit.   (c) To equalise cost with revenue.

    (d) To run the business even at loss.

2. The methods of collecting details of demand from a selected group of customer :

    (a) Delphi methods.   (b) Survey methods.   (c) Sample survey methods.

    (d) Census methods.

3. The law of production in the short run is known as :
   (a) Law of return to scale. (b) Law of diminishing return (c) Increasing return to scale.
   (d) Constant return to scale,

4. Incremental cost pricing is based on :
   (a) Fixed cost.   (b) Variable cost.   (c) Total cost.   (d) Average cost.

Fill in the blanks:

5. —————products are products which supplement the use of another product.

6. The practice of charging high price in the beginning is called————.

7. Programmed decisions are —————.

8. ————— economics deals with national income.

State whether the following statement are True or False :

9. When the demand changes in proportional to change in price, the elasticity is relatively elastic.

10. Consumer goods are those goods that are used for further production.

11. Delphi methods of demand forecast is made on the basis of consensus among experts.

12. The technique of estimating an unknown variable from a known variable is called regression analysis.

(12 x 1/4 = 3 weightage)

Short Answer Questions - Answer all nine questions.

13. Define demand.
14. What is law of diminishing return ?
15. What is diseconomies of scale ?
16. Define market.
17. Name any two factors determining elasticity of demand.
18. What is Oligopoly ?
19. What do you mean by equilibrium price ?
20. Mention the pricing policy adopted for new market.
21. Define managerial economies.

(9 x 1 = 9 weightage)

Short Essay or Paragraph Questions - Answer any five questions from seven.

22. Explain Skimming price.
23. Explain Cobb-Douglas Production function.
24. What are the reasons for the operation of the law of diminishing return ?
25. What are the external factors affecting pricing policy ?
26. Why does the demand curve slop downward from left to right ?
27. State the law of constant return to scale.
28. State the different types of price leadership

(5 x 2 = 10 weightage)

Essay Questions - Answer any two questions from three.

29. Explain briefly the various methods of forecasting demand.

30. Explain price determination under price discrimination.

31. What are the evils of monopoly ?

(2 x 4 = 8 weightage)