

**FIRST SEMESTER B.Com. DEGREE EXAMINATION
NOVEMBER 2017**

(CUCBCSS—UG)

Complementary Course

BCM 1C 01—MANAGERIAL ECONOMICS

(2017 Admissions)

Time : Three Hours

Maximum : 80 Marks

Part A

Answer all the questions.

Each question carries 1 mark.

1. The graphical presentation of the demand schedule is called _____.
2. _____ represents different combinations of inputs which a firm can buy, given a certain amount of money.
3. The price rigidity under oligopoly is explained by _____ curve.
4. A firm under monopolistic competition will be in the long run equilibrium where average cost is equal to _____.
5. The demand for producers' goods is called _____.
6. When the demand for a product is tied to the purchase of some parent product, the demand is called :
 - (a) Direct demand.
 - (b) Derived demand.
 - (c) Autonomous demand.
 - (d) Individual demand.
7. Which is a peculiarity of labour as a factor of production ?
 - (a) Fixed in quantity.
 - (b) Immobile.
 - (c) Permanent.
 - (d) Perishable.
8. Which is a characteristic of monopolistic competition ?
 - (a) Product differentiation.
 - (b) Price rigidity.
 - (c) Indeterminate demand curve.
 - (d) Interdependence.

9. If a very small change in price leads to an unlimited change in demand, is a case of :

 - (a) Perfect inelastic demand.
 - (b) Perfect elastic demand.
 - (c) Unit elasticity.
 - (d) Relative elasticity of demand.

10. The law which explains how a simultaneous and proportionate increase in all the inputs affects the total output :

 - (a) Law of equimarginal utility.
 - (b) Law of diminishing marginal utility.
 - (c) Law of Demand.
 - (d) Law of returns to scale.

(10 x 1 = 10 marks)

Part B

Answer any eight questions.

Each question carries 2 marks.

11. What are the criticisms about wealth definition of economies ?
 12. What is meant by cross elasticity of demand ?
 13. In economic theory, what is meant by long run ?
 14. What is meant by Marginal Rate of Technical Substitution ?
 15. Give examples for derived demand and direct demand.
 16. What are functions of money in an economy ?
 17. How managerial economics and statistics are related ?
 18. Write any two external economies of scale.
 19. What is inflation ?
 20. What is stated by a production function ?

(8 x 2 = 16 marks)

Part C

Answer any six questions.

Each question carries 4 marks.

21. Bring out the scope of managerial economics.
 22. How least-cost combination of inputs is found out ? Explain.
 23. Briefly explain how the Law of diminishing returns useful for various business decisions.
 24. What are the stages in a business cycle in an economy ?

25. Which are the characteristics of pure competition ?
26. Which are the areas of cost control in a firm ?
27. Write a note on poverty eradication measures in India.
28. Briefly explain scarcity definition of economics.

($6 \times 4 = 24$ marks)

Part D

Answer any two questions.

Each question carries 15 marks.

29. Explain the meaning and characteristics of monopolistic competition. Also state the price- output determination of monopolistic competition.
30. Which are the different types of demand forecasting ? Evaluate the methods for forecasting demand for existing and new products.
31. Briefly explain how WTO has influenced Indian Economy.

($2 \times 15 = 30$ marks)