

**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.

Turn over

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 × 1 = 10 marks)

Part B

*Answer any **eight** questions.*

Each question carries 2 marks.

11. What are the criticisms about wealth definition of economics ?
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 × 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 × 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 × 15 = 30 marks)