

D 53442 A

(Pages : 3)

Name.....

Reg. No.....

**FIRST SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION
NOVEMBER 2023**

B.Com.

BCM 1C 01—MANAGERIAL ECONOMICS

(2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

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

1. _____ is the application of economic theories in managerial decision making ?
2. When the quantity demanded of a commodity rises due to a fall in price, it is called _____.
3. Demand for electricity is an example of _____.
4. When a small change in price leads to infinite change in quantity demanded, it is called _____.
5. In the case of perfect elasticity, the demand curve is _____.
6. Selling cost is the feature of the market form :
 - (a) Monopoly.
 - (b) Monopolistic competition.
 - (c) Oligopoly.
 - (d) None of these.
7. The product under monopolistic competition are :
 - (a) Differentiated with close substitute.
 - (b) Perfect substitute.
 - (c) Differentiated without close substitute.
 - (d) Homogeneous.
8. An increase in income may lead to an increase in the quantity demanded, it is :
 - (a) Positive income elasticity.
 - (b) Zero income elasticity.
 - (c) Negative income elasticity.
 - (d) Unitary income elasticity.

Turn over

9. Functional relationship between input and output known as :

- (a) Conversion.
- (b) Production function.
- (c) Work in progress.
- (d) Output function.

10. Tea and coffee are :

- (a) Complimentary goods.
- (b) Substitute goods.
- (c) Supplementary goods.
- (d) Reserve goods.

(10 × 1 = 10 marks)

Part B

*Answer any **eight** questions.*

Each question carries 2 marks.

- 11. What is cross elasticity ?
- 12. State the law of diminishing marginal utility.
- 13. What is sunk cost ?
- 14. What is monopsony ?
- 15. What is price discrimination ?
- 16. What is isocost line ?
- 17. What is composite demand ?
- 18. What is marginal product ?
- 19. What is a kinked demand curve ?
- 20. Define managerial economics.

(8 × 2 = 16 marks)

Part C

*Answer any **six** questions.*

Each question carries 4 marks.

- 21. Explain the causes of inflation in Indian economy.
- 22. Discuss the features of monopolistic competition.

23. Distinguish between law of variable proportions and laws of returns to scale.
24. Comment on the role of demand forecasting in business.
25. State the properties of indifference curve.
26. Explain the methods of measuring price elasticity of demand.
27. Which are the assumptions of law of demand ?
28. Discuss the significance of managerial economics.

(6 × 4 = 24 marks)

Part D

*Answer any **two** questions.*

Each question carries 15 marks.

29. Distinguish between perfect competition and monopoly and discuss the arguments against monopoly.
30. What is demand forecasting ? Explain various methods of demand forecasting.
31. Define demand and discuss the factors affecting demand for a commodity.

(2 × 15 = 30 marks)

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(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. A consumer with a given income will maximise their utility when :
 - (A) The marginal utility derived from each commodity is equal.
 - (B) The marginal utility derived from each product consumed is zero.
 - (C) The total utility derived from each commodity consumed is equal.
 - (D) The marginal utilities derived from each commodity consumed are proportional.
2. Indian economy is :
 - (A) Socialistic.
 - (B) Mixed.
 - (C) Gandhian.
 - (D) Free economy.
3. Which of the following is the measure to control inflation.
 - (A) Granting credit on liberal terms.
 - (B) Raising bank rate.
 - (C) Demonetization.
 - (D) None of these.
4. Employment of people who take jobs below their capacity is known as :
 - (A) Underemployment.
 - (B) Disguised unemployment.
 - (C) Cyclical unemployment.
 - (D) None of these.
5. Unemployment caused by a decline in demand for production in a particular industry is :
 - (A) Seasonal unemployment.
 - (B) Frictional unemployment.
 - (C) Structural unemployment.
 - (D) None of these.
6. Indian economy growth is primarily driven by :
 - (A) Industry.
 - (B) Agriculture.
 - (C) Service.
 - (D) None of these.
7. Law of equi-marginal utility was suggested by :
 - (A) Marshal.
 - (B) Robins.
 - (C) HH Ghosen.
 - (D) None of these.

8. The concept of consumer surplus was developed by :
- (A) Marshal. (B) HH Ghosen.
(C) Bhentham. (D) None of these.
9. The author of the wealth of nation is :
- (A) Marshal. (B) Robins.
(C) Adam smith. (D) None of these.
10. Macro economic theory is also known as :
- (A) Price theory. (B) Income theory.
(C) Demand theory. (D) None of these.
11. The author of "the wealth of nations" is :
- (A) Marshal. (B) Ricardo.
(C) Robins. (D) Adam smith.
12. The study of international trade and national income is part of :
- (A) Global economics. (B) Macro economics.
(C) Positive economics. (D) Micro economics.
13. The income elasticity of demand is negative for a :
- (A) Positive good. (B) Normal good.
(C) Elastic good. (D) Inferior good.
14. The quantity demanded of a product increases when :
- (A) The consumers suddenly want more of the goods.
(B) The consumers level of income falls.
(C) The price of the product falls.
(D) More buyers of the goods enter the market.

Turn over

15. Two goods that are used jointly to provide satisfaction are called :
- (A) Inferior goods. (B) Normal goods.
(C) Complementary goods. (D) Substitute goods.
16. If the income and substitution effect of a price increase works in the same direction the good whose price has changed is a :
- (A) Giffen goods. (B) Inferior goods.
(C) Normal goods. (D) Superior.
17. Which of the following is not a survey method of demand forecasting :
- (A) Consumers interview method. (B) Expert opinion method.
(C) Barometric method. (D) Collective opinion method.
18. In which production function, the degree of homogeneity is always one :
- (A) Cobb douglas production function.
(B) Homogeneous production function.
(C) Linear homogeneous production function.
(D) None of these.
19. Which of the following is not a variable input
- (A) Raw material. (B) Power.
(C) Equipment. (D) None of these.
20. Which cost is more useful for decision making ?
- (A) Opportunity cost. (B) Sunk cost.
(C) Historical cost. (D) None of these.