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Name.....

Reg. No.....

**FIRST SEMESTER B.Com./B.B.A. DEGREE EXAMINATION
NOVEMBER 2020**

(CUCBCSS)

B.Com.

BCM 1C 01—MANAGERIAL ECONOMICS

(2017 Admissions)

Time : Three Hours

Maximum : 80 Marks

Part I

*Answer all question.
Each question carries 1 mark.*

1. The author of "The Wealth of Nations" is :
 - (a) Marshall.
 - (b) Ricardo.
 - (c) Robbins.
 - (d) Adam Smith.
2. The income elasticity of demand is negative for a :
 - (a) Positive good.
 - (b) Normal good.
 - (c) Elastic good.
 - (d) Inferior good.
3. Variable cost per unit :
 - (a) Remains constant.
 - (b) Varies with volume of production.
 - (c) Varies with sales.
 - (d) None of the above.
4. Demand for goods increases when income increases is called _____ goods.
 - (a) Positive good.
 - (b) Normal good.
 - (c) Elastic good.
 - (d) Inferior good.
5. The concept of consumer surplus was developed by :
 - (a) Marshall.
 - (b) H.H. Ghosen.
 - (c) Bentham.
 - (d) Adam Smith.

Turn over

6. ——— method uses the past data for demand forecasting.
- (a) Delphi. (b) Statistical.
(c) Barometric. (d) Collective opinion.
7. Which of the following is a condition of monopoly ?
- (a) Two or more sellers. (b) Only one buyer.
/ (c) Barriers to entry. (d) None of these.
8. Price determination is possible in :
- (a) Monopolistic competition. (b) Monopoly.
(c) Monopolistic competition. (d) None of these.
9. The 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.
10. Which of the following is a measure to control inflation ?
- (a) Granting of credit on liberal terms.
(b) Raising bank rate.
(c) Demonetisation.
(d) None of these.

(10 × 1 = 10 marks)

Part II

Answer any eight questions.

Each question carries 2 marks.

- / 11. Define Economics.
- / 12. What is opportunity cost ?
- / 13. What is substitution effect ?
14. What is derived demand ?
15. What is Veblen effect ?
16. What is an Isoquant ?

17. What is marginal product ?
18. What is barometric technique of demand forecasting ?
19. What are implicit costs ?
20. What is depression ?

(8 × 2 = 16 marks)

Part III

Answer any six questions.

Each question carries 4 marks.

21. State the difference between programmed and non-programmed decisions.
22. Explain Law of Demand. What are its assumptions.
23. Explain the Law of returns to scale.
24. Differentiate monopoly from perfect competition.
25. Define Trade cycle. What are its features ?
26. Discuss the practical importance of the concept of elasticity of demand.
27. Discuss different types of poverty.
28. Explain the various internal diseconomies of scale.

(6 × 4 = 24 marks)

Part IV

Answer any two questions.

Each question carries 15 marks.

29. What do you mean by demand forecasting ? Explain the determinants of demand.
30. What is elasticity of demand ? State the factors determining elasticity.
31. Explain the various cost concepts that are useful for decision-making.

(2 × 15 = 30 marks)