

18U155

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Name:

Reg. No.

FIRST SEMESTER B.Com. DEGREE EXAMINATION, NOVEMBER 2018

(Regular/Supplementary/Improvement)

(CUCBCSS-UG)

CC17U BC1 C01 - MANAGERIAL ECONOMICS

(Complementary - Course)

(2017 Admission onwards)

Time: Three Hours

Maximum: 80 Marks

Part A

Answer *all* questions. Each question carries one mark.

Choose the correct answer:

1. The cost that are recorded in the book of accounts.
 - a. Marginal Cost
 - b. Total Cost
 - c. Explicit Cost
 - d. Opportunity Cost
2. Total revenue will be maximum at the point where the marginal revenue is _____.
 - a. Zero
 - b. One
 - c. Less than One
 - d. Greater than One
3. Marginal Economics generally refers to the integration of economic theory with _____.
 - a. Ethics
 - b. Management
 - c. Business Practice
 - d. Economy
4. Income elasticity of demand is negative for a _____.
 - a. Normal goods
 - b. Inferior goods
 - c. Positive goods
 - d. Necessity goods
5. Under _____ inflation, price rise slowly.
 - a. Creeping
 - b. Walking
 - c. Running
 - d. Galloping

Fill in the blanks:

6. The method of collecting details of demand from all the consumers is known as _____.
7. _____ measures the difference between ideal output and the profit maximizing output.
8. A set of indifference curves is known as _____.
9. _____ is the situation where all available resources in the economy are employed to produce goods and services.
10. When a firm's average revenue is equal to its average cost, it gets _____ profit.

(10 x 1 = 10 Marks)

Part B

Answer any *eight* questions. Each question carries 2 marks.

11. Give two objectives of Demand Forecasting.
12. What is Differential Cost?
13. State Equi-marginal Principle.
14. Differentiate between Economics and Managerial Economics.
15. What is Veblen's Effect?
16. What are Internal Economies?
17. Define Utility.
18. What is Cross Elasticity?
19. What do you mean by Linear Homogenous Production Function?
20. What is Shutdown Point?

(8 x 2 = 16 Marks)

Part C

Answer any *six* questions. Each question carries 4 marks.

21. Explain the cases where Price Discrimination is possible.
22. What are the techniques of Cost Minimization?
23. Why does the Law of Variable Proportion operate?
24. Explain the determinants of Elasticity of Demand.
25. What are the reasons for the emergence of Parallel Economy?
26. Explain the role of Demand Forecasting in an organization.
27. Discuss the practical importance of the concept of Consumer Surplus.
28. "Decision making is the heart and core of executive activity in business". Justify your answer.

(6 x 4 = 24 Marks)

Part D

Answer *two* questions. Each question carries 15 marks.

29. Explain the concept of Indifference Curve. Explain the properties of Indifference Curve.
30. Define Unemployment. Explain the remedial measures undertaken by the Government to reduce Unemployment problem.
31. What are the main characteristics of Monopolistic Competition? Explain the equilibrium of the firms in the short run and long run under Monopolistic Competition.

(2 x 15 = 30 Marks)
