

19U145B

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Name:

Reg. No.....

FIRST SEMESTER B.Com. DEGREE EXAMINATION, NOVEMBER 2019

(Supplementary/Improvement)

(CUCBCSS UG)

CC17U BC1 C01 – MANAGERIAL ECONOMICS

(Complementary course)

(2017 & 2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

Part - A

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

I. Choose the Correct answer:

1. The AR and MR curve are the same horizontal line in
 - a) Monopolistic competition
 - b) Perfect competition
 - c) Monopoly
 - d) Duopoly
2. The term used to refer the disadvantages suffered by all the firms in an industry when the industry expands in a particular area
 - a) Internal diseconomies
 - b) Transportation diseconomies
 - c) External economies
 - d) External diseconomies
3. Variable cost per unit
 - a) Remains fixed
 - b) varies with the volume of production
 - c) Varies with sales
 - d) None of these
4. Two goods that are used jointly to provide satisfaction are called
 - a) Inferior goods
 - b) Normal goods
 - c) Complementary goods
 - d) Substitute goods
5. Returns to scale operates in
 - a) Long run
 - b) Market period
 - c) Short run
 - d) None of these

II. Fill in the blanks:

6. Equilibrium price is ascertained by the interaction of and
7. Price rigidity is one of the main feature of market.
8. Cost of self owned factors are known as
9. is the rate at which consumer substitute one commodity for the other.
10. Decisions based on cost benefit analysis is referred as

(10 x 1 = 10 Marks)

Part - B

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

11. What is income effect ?
12. List out the steps in decision making process.
13. State the meaning of reserve price.
14. What is Consumer Price Index?
15. Expand DMRTS.
16. Explain the concept of consumer surplus.
17. What is underemployment?
18. Explain kinked demand curve.
19. What is meant by Isocost curve?
20. Distinguish between marginal cost and average cost.

(8 x 2 = 16 Marks)

Part - C

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

21. Explain Price Consumption curve with the help of a diagram.
22. “Managerial economics is prescriptive rather than descriptive”. Elucidate.
23. Explain Law of Variable proportion.
24. Write a short note on impact of black money.
25. Explain internal and external economies of scale.
26. Discuss different types of price elasticity.
27. Explain the various methods used for forecasting demand for new products.
28. What is Production function. Also provide the assumptions underlying the production function.

(6 x 4 = 24 Marks)

Part – D

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

29. Define Managerial economics. Explain the basic economic tools in managerial economics.
30. What is Monopoly market? Write down the features of Monopoly market. Explain with the help of a diagram showing the short run equilibrium of the monopoly firm.
31. Explain Hicksian decomposition of price effect into income effect and substitution effect.

(2 x 15 = 30 Marks)
