FIRST SEMESTER B.Com./B.B.A. DEGREE EXAMINATION JANUARY 2014

(UG-CCSS)

Complementary Course

BC IC 01/BB IC 01—MANAGERIAL ECONOMICS

Time : Three Hours   Maximum : 30 Weightage

Part A

This part consists of **three** *bunches of questions carrying equal Weightage.*
Each bunch has **four** *questions.*
Answer all **twelve** *questions.*

A. Fill in the blanks :

1. The four phases of business cycle are recovery, boom, _____ and depression.

2. Collusion is just opposite of ———

3. The least-cost input combination is attained at the point of tangency between _——— curve and isocost curve.

4. Under monospony, there is only a single ———for a product.

B. Choose the correct answer from brackets :

5. Accounting cost is also called :

   (a) Historical cost.   (b) Opportunity cost.

   (c) Implicit cost.   (d) Incremental cost.

6. Demand for the matchbox is :

   (a) Relatively inelastic.   (b) Inelastic.

   (c) Relatively elastic.   (d) Elastic.

7. Programmed decisions are :

   (a) Routine.   (b) Unstructured.

   (c) Non-repetitive.   (d) Highly important.

8. Identify the commodity which is an exception to the law of demand :

   (a) Chocolate.   (b) Apple.

   (c) Salt.   (d) Pen.

C. Answer in *one word* :

9. What do you call the relation of price to demand ?

10. What is the mathematical expression for equilibrium point ?

Turn over

11. Give another name for Isoquant curve.

12. Name the price at which supply and demand are equal.

Part B

Answer all **nine** *questions in* **1 or** 2 *sentences each.*
Each question carries a weightage of 1.

13. What do you mean by autonomous investments ?

14. **What is dumping** ?

15. **What is long run marginal cost curve** ?

16. **Define** MRTS.

17. **What do you understand by** Isoquant **curve** ?

18. **What is Delphi method** ?

19. **Define decision-making.**

20. **What** is cross elasticity ?

21. What is effective demand ?

(9 x 1 = 9 weightage)

Part C

Answer any **five** *questions. Answer* **shall not exceed** **one page** *each.*
Each question carries **a** *weightage* **of 2.**

22. What are the causes of business cycle ?

23. Discuss the types of monopoly.

24. Explain the law of returns to scale.

25. Distinguish between the following :

(a) Shift in demand.   **(b) Extension and contraction of demand.**

26. What are the factors affecting demand forecasting ?

27. What are the properties of Isoquant curves ?

28. The price of a commodity is Rs. 30 and quantity **demanded at that price is 1,000 units. When the**
    price falls to Rs. 20 the demand increases to **1,600 units. Calculate the price elasticity of demand.**

(5 x 2 = 10 weightage)

Part D

Answer any **two** *questions.*
Each question carries a **weightage** *of* 4.

29. Describe the different methods of demand forecasting.

30. What is demand ? State the law of demand. Discuss the factors affecting demand.

31. What is monopolistic competition ? Discuss the pricing under short-run and long-run in monopolistic
    competition.   (2 x 4 = 8 weightage)