MAR IVANIOS COLLEGE (AUTONOMOUS) THIRUVANANTHAPURAM

Reg. No. :…………………   Name :………………….

First Semester B.Com. Degree Examination, November 2015
First Degree Programme under CBCSS
Complementary Course – I: (for Commerce)
AUCO131: Managerial Economics

(for 2015 Admissions Only)

Time: **3** Hours   Max. Marks: **80**

SECTION – A

*Answer **ALL** questions in one or two sentences.*

1. What is demand in economics ?
2. What do you mean by production function ?
3. What is demand Schedule ?
4. What is Arc elasticity ?
5. Define business cycle ?
6. What is meant by Giffen Paradox ?
7. What is penetration pricing ?
8. What do you mean by first law of market ?
9. What do you mean by End use method of forecasting ?
10. Managerial economics is both a science and an art. Explain ?

                                            (10 × 1 = 10 Marks)

SECTION – B

*Answer any **EIGHT** questions, each in a short paragraph not exceeding 50 words.*

11. What is the role of Cost in pricing ?
12. What is cross demand ?
13. What are the external factors affecting pricing decision ?

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14. Explain the principle of opportunity cost ?
15. What are the responsibilities of a managerial economist ?
16. What is Iso Cost Curve ?
17. What are the methods of forecasting the demand of a new product ?
18. Explain the extension and contraction of demand ?
19. Distinguish between explicit and implicit cost ?
20. What do you mean by the law of return to scale ?
21. Explain the Cobb – Douglas production function ?
22. What do you mean by fixed and variable inputs ?

(8 × 2 = 16 Marks)

SECTION – C

*Answer any **SIX** questions, each in a paragraph not exceeding 120 words.*

23. Define Managerial Economics. Explain the characteristics of managerial economics ?
24. Explain the degrees of price elasticity ?
25. Define Decision making. What are the steps in decision making ?
26. What do you mean by demand curve ? Why demand curve slope downwards ?
27. Describe the various phases of a business cycle ?
28. What are the chief properties of isoquants ?
29. State and illustrate the law of variable proportion ?
30. Discuss the formal measures of controlling business cycle.
31. Differentiate between perfect competition and monopoly.

(6 × 4 = 24 Marks)

SECTION – D

*Answer any **TWO** questions, not exceeding four pages.*

32. Define Law of Demand. Discuss the determinants of consumer demand and market demand.
33. Mention the important methods of pricing with advantages and disadvantages of each.
34. Explain the various economies and diseconomies of scale of operation.
35. What are the various kinds of markets on the basis of competition ?

(2 × 15 = 30 Marks)

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