

**FIRST SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2023****(Regular/Improvement/Supplementary)****B.Com. HONOURS****GBCH1B04T: MANGERIAL ECONOMICS****Time: 3 Hours****Maximum Marks: 80****PART A: Answer *all* the questions. Each carries *one* mark.****Choose the correct answer.**

1. Calculation of national income at market price is known as .....  
A) Real income.      B) Monetary income.      C) Non-monetary income.      D) None of these.
2. .... cost varies directly with the variation in output.  
A) Fixed cost.      B) Variable cost.      C) Average cost.      D) Total cost.
3. Samuelson definition of economics is ..... oriented.  
A) Wealth.      B) Scarcity.      C) Welfare.      D) Profit.
4. In the long run all the factors of production are .....  
A) Fixed.      B) Variable.      C) Increase.      D) Decrease.
5. .... is the cost of the factor units that are owned by the employer himself.  
A) Opportunity cost.      B) Sunk cost.      C) Incremental cost.      D) Implicit cost.

**Fill in the Blanks.**

6. General price level is studied in .....
7. Under oligopsony there will be .....
8. Advertisement elasticity is always .....
9. Supply curve has a ..... slope.
10. Sunk costs are the cost incurred in the .....

**(10 x 1 = 10 Marks)****PART B. Answer any *eight* questions. Each carries *two* marks.**

11. What do you mean by balance of payment?
12. Distinguish between inflation and deflation.
13. What is kinked demand curve?
14. Distinguish between duopoly and monopoly.
15. What is forward planning?

**(PTO)**

16. Managerial economics is normative. Justify.
17. What is isoquant curve?
18. Mention the components of business environment.
19. What is the discounting principle in decision making?
20. List out the role of managerial economist in business.

**(8 x 2 = 16 Marks)**

**PART C: Answer any *six* questions. Each carries *four* marks.**

21. Explain how price and output decisions are taken under conditions of oligopoly.
22. Explain the role of demand factor in pricing.
23. Discuss the various phases of business cycle.
24. What are the different techniques of demand forecasting?
25. Distinguish between perfect competition and monopolistic competition.
26. What are the conditions necessary for effective price leadership?
27. Explain the main steps involved in measuring national income through income method.
28. What are the causes of business cycle?

**(6 x 4 = 24 Marks)**

**PART D: Answer any *two* questions. Each carries *fifteen* marks.**

29. Define national income? Explain the different concepts of national income.
30. Discuss the internal and external economies of scale.
31. Explain law of demand. What are the exceptions to the law of demand?

**(2 x 15 = 30 Marks)**