

PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)

MCom(CS) DEGREE EXAMINATION DECEMBER 2023  
(First Semester)

Branch - CORPORATE SECRETARYSHIP

ECONOMICS FOR DECISION MAKING

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	Given the price, if the cost of production increases because of higher price of raw materials, the supply a. Decreases b. Increases c. Remains same d. Any of the above	K1	CO1
	2	The term business cycle refers to _____. a. The ups and downs in production of commodities. b. The fluctuating levels of economic activity over a period of time. c. Decline in economic activities over prolonged period of time. d. Increasing unemployment rate and diminishing rate of savings.	K1	CO1
2	3	Which of the following method is used for demand forecasting for new products? a. Economic indicators b. Opinion survey method c. Trend projection method d. Substitute approach	K1	CO2
	4	The relation between the cost and output is technically described as the a. cost function b. output function c. cost analysis d. Production function	K1	CO2
3	5	What do you mean by 'under conditions of a perfect competition in the product market'? a. $MRP = VMP$ b. $MRP > VMP$ c. $VMP > MRP$ d. None of the above	K1	CO3
	6	Under _____ market condition, firms make normal profits in the long run. a. Perfect competition b. Monopoly c. Oligopoly d. None of these	K1	CO3
4	7	Which of the following is not a part of the National Income? a. Undistributed profits b. Income from government expenditure c. The interest amount on the unproductive national debt d. The payments made by a household to a firm for purchasing goods and services	K1	CO4

Cont...

	8	The monetary policy framework is formulated by _____ a. Central government b. SIDBI c. RBI d. National stock exchange of India	K1	CO4
5	9	The essence of the law of diminishing returns is _____ a. Inelastic production b. Negative marginal production c. Declining total production d. Declining average production	K1	CO5
	10	The law of Equi - marginal utility is based on the law of _____ a. Demand b. Diminishing marginal utility c. Supply d. consumption	K1	CO5

**SECTION - B (35 Marks)**

Answer ALL questions

ALL questions carry EQUAL Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Interpret the scope of managerial Economics.	K2	CO1
		(OR)		
2	11.b.	Contrast the basic economic tools in managerial economics.	K2	CO2
		(OR)		
3	12.a.	Summarize about cost control and cost reduction.	K4	CO3
		(OR)		
4	12.b.	Explain about output relationship in short run and long run.	K5	CO4
		(OR)		
5	13.a.	Compare Perfect competition and monopolistic competition.	K3	CO5
		(OR)		
5	13.b.	Contrast about distributors discount and quantity discount.	K5	CO4
		(OR)		
4	14.a.	Evaluate Income method and expenditure method.	K5	CO4
		(OR)		
5	14.b.	Criticize export pricing strategy.	K3	CO5
		(OR)		
5	15.a.	Identify and explain Cardinal Vs Ordinal approach.	K3	CO5
		(OR)		
	15.b.	Apply the uses of balance of payments for business manager.		

**SECTION -C (30 Marks)**

Answer ANY THREE questions

ALL questions carry EQUAL Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Interpret the role and responsibilities of managerial economist in business decisions.	K2	CO1
2	17	Identify the factors determining the scope of product line.	K3	CO2
3	18	Critically analyse the features of Oligopoly and discuss about price rigidity in Oligopoly.	K5	CO3
4	19	Compare fiscal policy and monetary policy.	K5	CO4
5	20	Examine the India's trade policy and related aspects.	K4	CO5

Z-Z-Z

END