

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom(CS) DEGREE EXAMINATION DECEMBER 2019
(First Semester)

Branch - CORPORATE SECRETARYSHIP

MANAGERIAL ECONOMICS

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks!)

Answer ALL questions

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

- 1 The term managerial economics also refers to _____.
(i) Principles of management (ii) Management accounting
(iii) Applied economics (iv) Consumer behaviour
- 2 When the income elasticity of demand is greater than unity, the commodity is _____.
(i) An inferior good (ii) Luxury
(iii) A Necessity (iv) A non-related good
- 3 Quantitative forecasting techniques include _____.
(i) Delphi method (ii) Consumer surveys
(iii) Manger opinions (iv) Exponential smoothing
- 4 Linear regression is most similar to the _____ method of demand forecasting.
(i) Trend projection (ii) Nai've
(iii) Simple moving average (iv) Weighted moving average
- The out of pocket costs are _____
(i) Sunk costs (ii) Marginal costs
(iii) Explicit costs (iv) Social costs
- 6 Iso - quants are also known as _____.
(i) Equal cost curves (ii) Equal revenue curves
(iii) Equal product curves (iv) Indifference curves
- Under _____, price is determined by the interaction of total demand and total supply in the market.
(i) Perfect competition (ii) Monopoly
(iii) Imperfect competition (iv) Duopoly
- 8 Products produced by oligopolistic firms are
(i) Homogeneous (ii) Heterogeneous
(iii) Differentiated (iv) Heterogeneous or Differentiated
- 9 GDP measures _____.
(i) A country's income (ii) A country's wealth
(iii) Consumer spending (iv) Net trade income
- 10 The trough of a business cycle occurs when _____ hits its lower point.
(i) Inflation (ii) The money supply
(iii) Aggregate economic activity (iv) The unemployment rate

Cont...

SECTION - B (25 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks (5 x 5 = 25)

11 a Describe about the characteristic features of managerial economics.

OR

b How to you interpret the income elasticity of demand?

12 a Explain the different types of demand forecasting.

OR

b Indicate the factors influencing demand forecasting.

13 a Narrate the three stages of short run production function.

OR

b Why is the long run average cost curve L - shaped?

14 a Summarize the chief characteristics of oligopoly market structure.

OR

b Write a short note on skimming pricing.

15 a Point out the differences between GNP and GDP.

OR

b Bring out the characteristics of business cycle.

SECTION -C (40 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks (5 x 8 = 40)

16 a Enumerate the role of managerial economists in business organization.

OR

b Bring out the different types of demand.

17 a Examine the various types of opinion survey method of demand forecasting.

OR

b Classify and explain the Joel Dean's approaches to forecasting demand for new product.

18 a Discuss and illustrate the traditional cost curves of a firm in the short run.

OR

b Elucidate the various phases of law of returns to scale.

19 a Discover the price - output determination under perfect competition in short run.

OR

b Analyze the procedures involved in price determination of a product.

20 a Describe the different types of inflation.

OR

b Explain the difficulties involved in calculating national income in India.