

**Amal College of Advanced Studies, Nilambur**  
**First Semester B.Com Degree Programme**  
**Internal Test 1- Sept 2011**  
**BC1 C01: Managerial Economics**

Time: 3hrs  
Weight: 30

**I. Answer all. A bunch of four questions carries 1 weight**

1. Expenditure method of elasticity of demand is also known as .....
2. The demand for a commodity which can be put to several uses is called .....
3. .... is a table or chart showing quantities of a commodity demanded at different prices at a particular time in a particular market
4. In a diminishing marginal utility curve at point of saturation, marginal utility will be .....
5. Cost of next best alternative which is given up is called .....
6. "An enquiry into the Nature and Causes of Wealth of Nations" is the famous work by .....
7. Robbins' definition of Economics is also known as .....
8. Managerial economics is ..... science which means body of knowledge relating to the criteria of what ought to be .....

Match the following

- |                          |                 |
|--------------------------|-----------------|
| 9. Good forecasting      | A.C. Pigou      |
| 10. Welfare definition   | Pragmatic       |
| 11. Growth definition    | Plausibility    |
| 12. Managerial economics | Alfred Marshell |
|                          | J.M.Keyns       |

**II. Answer all. Each carries 1 weight.**

13. Distinguish between micro level and macro level of demand forecasting.
14. What is marginal utility?
15. State Law of Demand
16. What is Veblen effect?
17. What is derived demand? Give example
18. Define Economics.
19. What is decision making?
20. What is optimization?
21. Define Managerial Economics.

**III. Answer any 5 questions. Each question carries 2 weights**

22. Define Managerial Economics. Explain its characteristics.
23. What are the different degrees of Elasticity of Demand?
24. Explain Law of diminishing marginal utility.
25. What are the steps in demand forecasting?
26. Exceptions to Law of Demand. Elucidate with examples.
27. What is a Demand schedule?
28. Explain different theories in Managerial economics.

**IV. Answer any 2 questions. Each carries 4 weights**

29. Managerial economics bridges the gap between economic theory and business practice. Discuss.
30. Explain different methods of Demand Forecasting.
31. Demand of a commodity depends upon a number of factors. Comment.