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CIH 401

**First Semester M.Com. (IBM) Degree Examination, December 2018
(CBCS)
COMMERCE
Banking Economics**

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any four** questions out of seven, **each** question carries **10** marks, answer to **each** question should **not** exceed **4** pages. **(4×10=40)**

1. Explain scope and characteristics of managerial economics.
2. Discuss law of demand.
3. Elucidate the various types of elasticity of demand.
4. 'Price leadership is an alternative cooperative method used to avoid tough competition'. Comment.
5. Distinguish between short-run production function and long-run production function.
6. Why is demand analysis significant for management ?
7. Explain the method of cost-plus pricing and state its limitations. Point out cases where it is suitable.

SECTION – B

Answer **any two** out of three questions, **each** question carries **15** marks, answer to **each** question should **not** exceed **7** pages. **(2×15=30)**

8. State the law of demand. Explain the reasons for the downward slope of demand curve.
 9. Explain the various forms of internal and external economies of scale.
 10. Distinguish between **any three** of the following :
 - a) Demand curve and demand schedule.
 - b) Implicit and Explicit costs.
 - c) Isoquant and Isocost.
 - d) Short-run and long-run cost functions.
 - e) Social cost-benefit analysis and financial analysis.
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