

(6 pages)

Reg. No. :

Code No. : 10825 E Sub. Code : EEBA 11

B.B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2023.

First Semester

Business Administration – Elective

MANAGERIAL ECONOMICS

(For those who joined in July 2023 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. What is the primary focus of managerial economics?
 - (a) Economic theory
 - (b) Market research
 - (c) Business decision-making
 - (d) Government policies

2. Which economic concept is central to the study of managerial economics?

- (a) Comparative advantage
- (b) Gini coefficient
- (c) Marginal utility
- (d) Opportunity cost

3. Which of the following is an example of a normal good?

- (a) Ramen noodles
- (b) Luxury cars
- (c) Generic brand groceries
- (d) Public transportation

4. If a consumer's demand for a good is highly elastic, a small change in price will lead to:

- (a) A large change in quantity demanded
- (b) A small change in quantity demanded
- (c) No change in quantity demanded
- (d) A change in consumer preferences

Page 2 **Code No. : 10825 E**



5. The law of diminishing returns states that:
 - (a) As more inputs are added, output increases at an increasing rate
 - (b) As more inputs are added, output increases at a decreasing rate
 - (c) As more inputs are added, output remains constant
 - (d) As more inputs are added, output decreases to zero
6. Which of the following is true for a firm operating in a perfectly competitive market in terms of price and marginal revenue (MR)?
 - (a) Price equals MR
 - (b) Price is greater than MR
 - (c) Price is less than MR
 - (d) Price and MR are unrelated
7. When a company adjusts its prices based on the prices of its competitors, it is practicing:
 - (a) Skimming pricing
 - (b) Cost-plus pricing
 - (c) Competitive pricing
 - (d) Premium pricing
8. Which of the following pricing methods is based on calculating the cost of production and adding a markup to determine the selling price?
 - (a) Cost-Plus Pricing
 - (b) Value-Based Pricing
 - (c) Dynamic Pricing
 - (d) Penetration Pricing

Page 3 Code No. : 10825 E

9. In an oligopoly market structure, which of the following is characteristic?
 - (a) Many firms competing with identical products
 - (b) A single firm dominating the market
 - (c) A small number of interdependent firms
 - (d) Perfectly competitive market conditions
10. In a duopoly, how many firms are there in the market?
 - (a) One
 - (b) Three
 - (c) Four
 - (d) Two

PART B — (5 × 5 = 25 marks)

Answer ALL the questions, choosing either (a) or (b).
Each answer should not exceed 250 words.

11. (a) Examine the Nature of a firm.
Or
(b) Determine the Scope of a Managerial Economics.
12. (a) Determine the Exceptions of Diminishing Marginal Utility Analysis.
Or
(b) State the Assumptions of Law of Demand.

Page 4 Code No. : 10825 E

[P.T.O.]



13. (a) Examine the Types of return to scale.

Or

- (b) Identify the Factors influencing Production.

14. (a) State the Importance of Dual Pricing.

Or

- (b) List out the Objectives of Pricing.

15. (a) Explain the Characteristics of Oligopoly Market.

Or

- (b) State the Features of Duopoly Competition.

PART C — (5 × 8 = 40 marks)

Answer ALL the questions, choosing either (a) or (b)
Each answer should not exceed 600 words.

16. (a) Discuss the Nature of Managerial Economics.

Or

- (b) Differentiate Micro and Macro Economics.

17. (a) Explain the Types of Demand.

Or

- (b) Examine the Theory of Consumer Behaviour.

Page 5 Code No. : 10825 E

18. (a) Explain the Revenue Curves of Firms in Short Run.

Or

- (b) Discuss the determinants of law of supply.

19. (a) Examine the Pricing Strategies.

Or

- (b) Determine the Factors influencing Pricing.

20. (a) Determine how the Price Discrimination done under Perfect Competition.

Or

- (b) Differentiate Monopoly and Monopolistic Competition.

Page 6 Code No. : 10825 E

