

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

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.
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Page 6 Code No. : 10825 E