PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BCom(CS) DEGREE EXAMINATION DECEMBER 2025
(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 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	The primary goal of a firm in managerial economics_____ a) Social welfare b) Environmental sustainability c) Profit maximization d) Employee satisfaction	K1	CO1
	2	Managerial Economics is best described as:_____ a) Pure economics b) Microeconomics only c) Application of economic theory to business decisions d) Theory of firm behaviour	K2	CO1
2	3	When consumer income increases and demand for a good decreases, the good is _____ a) A normal good b) A luxury good c) An inferior good d) A Giffen good	K1	CO2
	4	Seasonal factors affecting demand are examples of_____ a) Price determinants b) Internal factors c) External determinants d) Production factors	K2	CO2
3	5	When AR = MR, demand is _____ a) Elastic b) Inelastic c) Unitary elastic d) Perfectly elastic	K1	CO3
	6	Give the factors of production_____ a) Land, labour, capital, and Organisation b) Demand, supply, price, and income c) Production, distribution, and consumption d) Goods, services, and resources	K2	CO3
4	7	The primary characteristic of perfect competition_____ a) Many buyers and sellers b) Single buyer and seller c) Few sellers d) Product differentiation	K1	CO4
	8	Oligopoly is a market with _____ a) Many small firms b) Single seller c) Few large sellers d) Government monopoly	K2	CO4
5	9	What is the formula for calculating national income using the expenditure method _____ a) $C + I + G + (X - M)$ b) $C + I + G - (X - M)$ c) $C + I - G + (X - M)$ d) $C - I + G + (X - M)$	K1	CO5
	10	The inflation index widely used in India is_____ a) GDP Index b) Retail Price Index c) Wholesale Price Index d) Income Index	K2	CO5

SECTION - B (35 Marks)
Answer ALL questions
ALL questions carry EQUAL Marks   (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Describe the scope of Managerial Economics.	K1	CO1
		(OR)		
	11.b.	Enumerate the various objectives of a firm.		
2	12.a.	Distinguish between qualitative and quantitative methods of demand forecasting with examples.	K2	CO2
		(OR)		
	12.b.	Elaborate the different types of demand with suitable examples.		
3	13.a.	Explain the factors of production and their role in the production process.	K4	CO3
		(OR)		
	13.b.	Analyse the Laws of Returns to Scale.		
4	14.a.	Point out the features of perfect competition.	K4	CO4
		(OR)		
	14.b.	Identify the major features of oligopoly.		
5	15.a.	Classify the different methods of calculating national income.	K3	CO5
		(OR)		
	15.b.	Examine the Wholesale Price Index (WPI) and Consumer Price Index (CPI).		

SECTION -C (30 Marks)
Answer ANY THREE questions
ALL questions carry EQUAL Marks   (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Discuss the relationship between managerial economics and other disciplines.	K2	CO1
2	17	What are the essential criteria of a good forecasting method? Explain with reasons.	K2	CO2
3	18	Examine the concept of Producer's Equilibrium with the help of Isoquant.	K3	CO3
4	19	Classify the different types of pricing policies used in managerial decision-making.	K3	CO4
5	20	Explain the concept of national income and its significance in economic analysis.	K5	CO5

Z-Z-Z   END