22MSU205N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BBA DEGREE EXAMINATION MAY 2026
(Second Semester)

Branch – **BUSINESS ADMINISTRATIONS**

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	Which branch of economics studies about unemployment, illiteracy, national income tax? (a) Micro economics (b) wealth economics (c) Macroeconomics (d) fiscal economics	K1	CO1
	2	Managerial economics generally refers to the integration of economic theory with business_______ (a) Practice (b) Management (c) Ethics (d) Environment	K2	CO1
2	3	What do you mean by the supply of goods? (a) Stock available for sale (b) Total stock in the warehouse (c) The actual production of the good (d) Quantity of the good offered for sale at a particular price per unit of time	K1	CO2
	4	Demand is a function of________ (a) Income (b) Price (c) Advertisement (d) Consumers	K2	CO2
3	5	Show the overall output generated at a given level of input______ (a) Production function (b) Cost function (c) Iso cost (d) Marginal rate of technical substitution	K1	CO3
	6	The out of pocket costs are ________. (a) Sunk costs (b) Marginal costs (c) Explicit costs (d) Social costs	K2	CO3
4	7	Which of the following is a characteristic of a perfectly competitive market? (a) Firms are price setters (b) There are few sellers in the market (c) Firms can exit and enter the market freely (d) There are no sellers in the market	K1	CO4
	8	The price effect may be derived as his total change in the quantity consumed of a commodity due to a________ in its price. (a) Change (b) Fixed (c) Variable (d) Marginal	K2	CO4
5	9	Gross National Income is always more than Net National Income because it includes: (a) Foreign income (b) Capital consumption allowance (c) Indirect taxes (d) Direct taxes	K1	CO5
	10	The alternating periods of expansion and contraction in the economic activity_________ (a) Business cycle (b) Product life cycle (c) Good trade (d) Downswing	K2	CO5

Cont...

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.	What are the uses of Managerial economics?	K1	CO1
		(OR)		
	11.b.	Show the components of Sustainable business.		
2	12.a.	Describe the various types of Demand.	K3	CO2
		(OR)		
	12.b.	Identify the determinants of law of supply.		
3	13.a.	Outline the uses of production function in decision making.	K2	CO2
		(OR)		
	13.b.	Explain Break even analysis with an example.		
4	14.a.	List out the features of Perfect competition.	K4	CO4
		(OR)		
	14.b.	Analyze the factors involved in pricing policy.		
5	15.a.	Discover the objectives of fiscal policy.	K4	CO5
		(OR)		
	15.b.	Classify the different methods of measuring National income.		

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	Explain the features of IKS in relation to sustainable business.	K2	CO1
2	17	Interpret the methods of forecasting demand.	K3	CO2
3	18	Outline the cost output relationship in the long run.	K2	CO3
4	19	Analyze the price discrimination under Monopoly.	K4	CO4
5	20	List out and explain the various types of Inflation.	K4	CO5

Z-Z-Z END