25CSU103A

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom (CS) DEGREE EXAMINATION MAY 2026
(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	Who plays a key role in applying economic concepts to real-world business problems? a) Production manager b) Managerial economist c) Accountant d) Marketing executive	K1	CO1
	2	Give Correct method involves reasoning from general principles to specific conclusions. a) Inductive method b) Deductive method c) Positive method d) Normative method	K2	CO1
2	3	Which determinant would shift the entire demand curve? a) Price of the product b) Consumer's income c) Quantity supplied d) Production costs	K1	CO2
	4	How to calculate price elasticity of demand: a) Change in price / Change in quantity b) % change in quantity demanded / % change in price c) Change in quantity / Price d) Price / Quantity demanded	K2	CO2
3	5	What is the relationship between marginal cost (MC) and average cost (AC) in the short run? a) MC intersects AC at its minimum point. b) MC intersects AC at its maximum point. c) MC is always greater than AC. d) MC is always less than AC.	K1	CO3
	6	Why marginal revenue is less than average revenue: a) Average revenue is falling b) Average revenue is rising c) Total revenue is constant d) Marginal cost is zero	K2	CO3
4	7	Which market structure is characterized by a single seller? a) Perfect competition b) Monopoly c) Monopolistic competition d) Oligopoly	K1	CO4
	8	Under perfect competition, a firm is a: a) Price maker b) Price leader c) Price taker d) Price discriminator	K2	CO4
5	9	What is inflation? a) A decrease in the general price level b) An increase in the general price level c) A stable price level d) A decrease in unemployment	K1	CO5
	10	A business cycle includes how many main phases? a) Two b) Three c) Four d) Five	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.	Describe the role of a managerial economist in a business organization.	K1	CO1
		(OR)		
	11.b.	Enumerate the Deductive and Inductive methods of economic analysis.		
2	12.a.	Differentiate between price, income and cross elasticity of demand.	K2	CO2
		(OR)		
	12.b.	Elaborate the different methods of demand forecasting used in managerial economics.		
3	13.a.	Explain the various types of cost concepts used in managerial economics	K4	CO3
		(OR)		
	13.b.	Analyse the importance of cost and revenue analysis in managerial decision-making.		
4	14.a.	Point out the features of a monopoly.	K4	CO4
		(OR)		
	14.b.	Identify the features of monopolistic competition.		
5	15.a.	Classify the difficulties in calculating national income.	K3	CO5
		(OR)		
	15.b.	Examine how inflation and business cycles are interrelated.		

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 objectives of a firm in managerial economics.	K2	CO1
2	17	Define price elasticity of demand. Describe its types and how it is measured.	K2	CO2
3	18	Examine Discuss the Law of Variable Proportions with a diagram.	K3	CO3
4	19	Analyse the concept of price discrimination and its types.	K4	CO4
5	20	Explain the phases of the business cycle and their characteristics.	K5	CO5

Z-Z-Z END