

**FIRST SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2023****(Supplementary 2018 admission)****BBA****ABBA1C01T: MANAGERIAL ECONOMICS****Time: 3 Hours****Maximum Marks: 80****PART A: Answer *all* the questions. Each carries *one* mark.****Choose the correct answer.**

1. \_\_\_\_\_ is situation with increased investment and increased price.  
A) Recession.      B) Progress.      C) Boom.      D) Recovery.
2. The concept of product differentiation was introduced by \_\_\_\_\_.  
A) JM Keynes.      B) TR Malthus.      C) Chamberlin.      D) Mrs. Robinson.
3. When a firm doubles its inputs and finds that its output has more than doubled, this is known as \_\_\_\_\_.  
A) Economies of scale.      B) Diseconomies of scale.  
C) Constant returns to scale      D) A violation of the law of diminishing returns.
4. If the quantity of a commodity demanded remains unchanged as its price changes, the coefficient of price elasticity of demand is \_\_\_\_\_.  
A) Greater than 1      B) less than 1      C) equal to 1      D) zero
5. "A rupee tomorrow is worth less than a rupee today" relates to \_\_\_\_\_.  
A) Opportunity cost principle.      B) Discounting principle.  
C) Equi-marginal principle.      D) None of these.

**Fill in the Blanks.**

6. A cost that has already been committed and cannot be recovered is known as \_\_\_\_\_.
7. Scarcity definition of Economics is given by \_\_\_\_\_.
8. Demand = Desires + \_\_\_\_\_ + Willingness to pay.
9. \_\_\_\_\_ is known as the first law in market.
10. A graph indicating different combination of inputs with different level of output is called \_\_\_\_\_.

**(10 x 1 = 10 Marks)****(PTO)**

**PART B: Answer any *eight* questions. Each carries *two* marks.**

11. Define Managerial Economics.
12. What is meant by 'Marginal Rate of Technical Substitution'?
13. State the principle in the 'Kinked Demand Curve'.
14. Compare Inflation and Deflation.
15. What are 'Cartels'?
16. What is 'Price Discrimination'?
17. Distinguish between Economic cost and Accounting cost.
18. Give the Welfare definition of Economics.
19. Comment on the concept, of 'Economic Forecasting'.
20. Write down any two evils in Monopoly.

**(8 x 2 = 16 Marks)**

**PART C: Answer any *six* questions. Each carries *four* marks.**

21. Outline the salient features of a Perfectly Competitive Market.
22. Point out the stages in Managerial decision-making.
23. Enumerate the different phases in Business Cycle.
24. Trace out the basic tools in Managerial Economics.
25. Distinguish between Monopolistic Competition and Perfect Competition.
26. Give the properties of Isoquant.
27. "The demand curve slopes downwards". Why?
28. Narrate the evil effects of cyclical fluctuations on business firms.

**(6 x 4 = 24 Marks)**

**PART D: Answer any *two* questions. Each carries *fifteen* marks.**

29. Critically analyse the Law of Variable Proportions.
30. Define Price Elasticity of Demand. Detail its different types graphically.
31. Elucidate the objectives, characteristics, and importance of Managerial Economics in Decision - making.

**(2 x 15 = 30 Marks)**