

(6 pages)

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B.B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2022.

Second Semester

Business Administration/Shipping and Logistics
Management — Core

MANAGERIAL ECONOMICS

(For those who joined in July 2021 onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer.

1. The law of demand states that if there is an increase in a product's selling price ———.
(a) The quantity demanded of that good will decrease
(b) The quantity supplied of that good will decrease
(c) The quantity demanded of that good will increase
(d) The quantity supplied of that good will increase

2. ——— is the diagrammatic representation of the law of supply.
(a) Supply schedule (b) Supply graph
(c) Supply table (d) Supply curve
3. The alternative name of opportunity cost is ———.
(a) Economic Cost (b) Equilibrium Price
(c) Marginal Cost (d) Average Cost
4. Long-run production function is related to ———.
(a) Law of Demand
(b) Law of Increasing Returns
(c) Laws to Returns of Scale
(d) Elasticity of Demand
5. Which of the following is the best example of a perfectly competitive market?
(a) diamonds (b) athletic shoes
(c) soft drinks (d) farming
6. A differentiated product has ———.
(a) many perfect substitutes
(b) close but not perfect substitutes
(c) no close substitutes
(d) no substitutes of any kind

7. The Exchange rate which is determined by the Government is known as _____.
- flexible exchange rate
 - fixed exchange rate
 - floatated exchange rate
 - none of the above
8. Inflation is measured on the basis of _____ index.
- wholesale price
 - consumer price
 - Marshall's
 - All these
9. Which of the following best defines Net National Income?
- GNP + Depreciation
 - GNP - Depreciation
 - GDP - Depreciation
 - NDP + Depreciation
10. Which of the following does not occur during expansion phase?
- Consumer spending increases
 - Employment increases as demand for labour rises
 - Business profits and business confidence increase
 - None of the above

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

11. (a) Write a note on Elasticity of demand.

Or

- (b) State the objectives of Demand forecasting.

12. (a) Describe the cost concepts.

Or

- (b) Enumerate the properties of indifference curves.

13. (a) Explain the market period price – output determination under perfect competition.

Or

- (b) What are the causes of Monopoly?

14. (a) Describe the different types of Forex market.

Or

- (b) Describe the causes of inflation.

15. (a) Explain the Income method of National Income measurement.

Or

- (b) Describe the phases of Business cycle.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

16. (a) Discuss the scope of Managerial Economics.

Or

- (b) Explain the Law of supply.

17. (a) Describe the Cost – Output relationship in the short run and long run.

Or

- (b) Briefly explain the Economies of scale.

18. (a) State the characteristics of Perfect competition.

Or

- (b) Describe the pricing determination under Monopoly.

19. (a) Explain the process of fixation of Exchange rates.

Or

- (b) Explain the Anti-Inflationary measures taken to control inflation.

20. (a) Explain the different concepts of National Income.

Or

- (b) Describe the measures to control business cycles.
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