



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.B.A. DEGREE EXAMINATION – BUSINESS ADMINISTRATION

SECOND SEMESTER – APRIL 2022

UBU 2501 – MANAGERIAL ECONOMICS

(21 BATCH ONLY)

Date: 16-06-2022

Dept. No.

Max. : 100 Marks

Time: 01:00 PM - 04:00 PM

SECTION A

Answer ALL the Questions

1.	Define the following:	(5 x 1 = 5 Marks)	
a)	Consumer Surplus	K1	CO1
b)	Market Demand	K1	CO1
c)	Law of Variable Proposition.	K1	CO1
d)	Gross National Product.	K1	CO1
e)	Reverse Repo	K1	CO1
2.	Fill in the blanks:	(5 x 1 = 5 Marks)	
a)	“Law of variable proportions” is also known as _____.	K1	CO1
b)	In “Perfect competition” factors of production are _____ mobile.	K1	CO1
c)	If savings exceed investment, then_____.	K1	CO1
d)	We come across going rate pricing generally under _____ market.	K1	CO1
e)	_____is the Central monetary policy Authority in India.	K1	CO1
3.	Match the following:	(5 x 1 = 5 Marks)	
a)	Labour	Variable	K2 CO1
b)	Low Point	Active Factor	K2 CO1
c)	Indifference Curve Left to Right	Trough	K2 CO1
d)	Law Of Demand	Declines	K2 CO1
e)	Marginal Cost	Qualitative	K2 CO1
4.	True or False:	(5 x 1 = 5 Marks)	
a)	The normal demand curve of a commodity has a positive slope.	K2	CO1
b)	In “Perfect competition” firms are Price maker	K2	CO1
c)	Income effect when wage rises mean work hours fall	K2	CO1
d)	Total cost includes Normal profits.	K2	CO1
e)	$TR / Q = AR$	K2	CO1

SECTION B**Answer any TWO of the following in 150 words (2 x 10 = 20 Marks)**

5	Apply the scope of managerial economics in Start-up Firms.	K3	CO2
6	Demonstrate Demand Schedule vs Market Demand Schedule. Explain the factors that cause a shift in demand.	K3	CO2
7	Illustrate the law of variable proportions.	K3	CO2
8	Sketch the trade cycle. Write the impact of the trade cycle on the business strategy.	K3	CO2

SECTION C**Answer any TWO of the following in 150 words (2 x 10 = 20 Marks)**

9	Analyse managerial economics with the help of an example. Discuss how it is different from traditional economics?	K4	CO3
10	Examine the term “demand” and discuss the factors affecting the demand for a particular product/service.	K4	CO3
11	Explain the production function and discuss the law of production in the short run.	K4	CO3
12	Compare CRR with SLR. Point out the objectives of SLR.	K4	CO3

SECTION D**Answer any ONE of the following in 250 words (1 x 20 = 20 Marks)**

13	“The consumer has more and more of a commodity, and the additional utility which he derives from an additional unit of the commodity goes on falling.” – Defend.	K5	CO4
14	Summarize What do you understand by non-price discrimination. Discuss who can exercise price discrimination in which market structure.	K5	CO4

SECTION E**Answer any ONE of the following in 250 words (1 x 20 = 20 Marks)**

15	“Gross Domestic Product is a measure of Country’s domestic economic activities.” – Elaborate the different methods of measuring national income.	K6	CO5
16	“Some products have a much more immediate and dramatic response to price changes, Discuss is it they’re considered nice to have or non-essential, or because there	K6	CO5

	are many substitutes available".		
--	----------------------------------	--	--
