



Maximum

# Avinashilingam Institute for Home Science and Higher Education for Women

(Deemed to be University under Category 'A' by MHRD, Estd. u/s 3 of UGC Act 1956)

Re-accredited with 'A++' Grade by NAAC. Recognised by UGC Under Section 12B

Coimbatore - 641 043, Tamil Nadu, India

## Continuous Internal Assessment Test - I August 2024

III Semester

Class: II UG

Course: BBA RM

Time: 2 Hours

Max. Marks: 60

### 23BREC06 Managerial Economics

#### Course Outcomes:

CO1: Integrate the basic concepts of economics for optimal business decision

CO2: Analysis the demand and supply conditions to assess the market viability

CO3: Comprehend the effect of production, cost and Revenue on demand for casting on demand forecasting and pricing and pricing

CO4: Design competitive strategies based on the market environment, nature of products and structure of makes

CO5: Analysis real-world business problem from the economic perspective.

#### Part- A

#### Choose the correct the answer

6x1=6

1. "A rupee tomorrow is worth less than a rupee today" relates to CO1 K1
  - a. Opportunity cost principle
  - b. discounting principle
  - c. Equi-marginal principle
  - d. None of these
2. Basic economic tools of managerial economics does not include CO1 K2
  - a. Principle of time perspective
  - b. Equi-marginal principle
  - c. Incremental principle
  - d. None of these
3. Demand curve slopes downwards because of CO2 K1
  - a. The law of diminishing marginal utility
  - b. The income effect
  - c. Substitution effect
  - d. All of the above
4. Which of the following is not a survey method of demand forecasting CO1 K3
  - a. Consumers interview method
  - b. Expert opinion method
  - c. Barometric method
  - d. Collective opinion method.
5. Variable cost per unit CO3 K2
  - a. Remains fixed
  - b. Varies with the volume of production
  - c. Varies with sales
  - d. None of these
6. Duopoly is CO3 K1
  - a. Another name for monopoly
  - b. Special type of monopolistic competition
  - c. Two firm oligopoly
  - d. None of these

#### Part B

#### Answer ALL questions

3 x 6 =18

7. (a) Explain any three principles for managerial decision. CO1: K1  
(Or)  
(b) Discuss the application of economic theories in managerial decision CO1: K2
8. (a) Explain the determinants of demand. CO2: K1  
(Or)  
(b) Explain the Types of Elasticity of Demand. CO2: K2
9. (a) Explain the law of diminishing Marginal utility CO2: K3  
(Or)  
(b) Describe Time series for forecasting. CO2: K3

#### Part C

#### Answer ALL questions

3 x 12 =36

10. (a) Briefly explain the Law of Demand CO1: K3  
(Or)  
(b) What are the properties of indifference curve. CO1: K2
11. (a) Briefly Explain the Law of equi- marginal utility. CO2: K3  
(Or)  
(b) Explain brief the Law of variable proportion. CO2: K1
12. (a) Discuss the Revealed Preference theory. CO3: K5  
(Or)  
(b) Explain the Law of supply. CO2: K2