



Jamballu

Avinashilingam Institute for Home Science and Higher Education for Women
(Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD)
Re-accredited with 'A++' Grade by NAAC. Recognised by UGC Under Section 12B
Coimbatore - 641 043, Tamil Nadu, India

Bachelor's Degree Examination - November 2025
I Semester

Class : I UG
Major : BBA Bachelor of Business Administration

Time: 3 Hours
Max. Marks: 100

25BBAC02 BUSINESS ECONOMICS

Course Outcomes:

- After the completion of this course, students will be able to:
- CO1** Analyze economic problems and correlate scarcity with the requirements
 - CO2** Evaluate demand and analyze cost to optimize cost-production combination.
 - CO3** Understand the effects of supply and make a relation between supply and production.
 - CO4** Recognize the existing market and take appropriate decisions
 - CO5** Analyze different theories of determination of factor prices

Part A

10 x 1 = 10

Choose the Correct Answer

1. What is the basic economic problem that all economies face? CO1 K1
 - a. Unemployment
 - b. Inflation
 - c. Scarcity
 - d. Poverty
2. What is Managerial Economics? CO2 K1
 - a. The study of macroeconomic trends
 - b. The application of economic principles to business decision-making
 - c. The analysis of consumer behavior
 - d. The study of financial markets
3. What occurs when demand is greater than supply? CO2 K1
 - a. Surplus
 - b. Shortage.
 - c. Equilibrium
 - d. None of the above
4. Which of the following is a method of demand forecasting? CO2 K1
 - a. Regression analysis
 - b. Time series analysis
 - c. Exponential smoothing
 - d. All of the above
5. What is the formula for calculating marginal revenue? CO2 K2
 - a. Marginal Revenue = $\Delta TR / \Delta Q$
 - b. Marginal Revenue = $\Delta Q / \Delta TR$
 - c. Marginal Revenue = TR / Q
 - d. Marginal Revenue = Q / TR
6. What is average revenue? CO3 K2
 - a. The total revenue earned divided by the quantity sold
 - b. The marginal revenue earned multiplied by the quantity sold
 - c. The price of the good
 - d. The profit earned divided by the quantity sold
7. What is the primary goal of pricing in business? CO3 K1
 - a. To maximize sales volume
 - b. To minimize costs
 - c. To maximize profits
 - d. To increase market share
8. What are the four main types of market structures? CO3 K2
 - a. Perfect competition, monopoly, oligopoly, and monopsony
 - b. Perfect competition, monopoly, oligopoly, and monopolistic competition
 - c. Perfect competition, monopoly, oligopoly, and perfect monopoly
 - d. Monopoly, oligopoly, monopsony, and duopoly
9. What is a monetary measure to control inflation? CO3 K2
 - a. Increase in money supply
 - b. Decrease in interest rates
 - c. Demonetization of currency
 - d. Increase in government spending
10. What is the impact of deflation on consumers? CO3 K3
 - a. Increases purchasing power

Part B

5 x 6 = 30

Answer all questions

Each answer should not exceed 400 words or two pages

- 11.a. Enumerate the differences between managerial economics and micro economics. CO1 K2
(or)
- 11.b. State the relationship of managerial economics with other disciplines. CO1 K1
- 12.a. Discuss the factors determining Elasticity of demand. CO2 K2
(or)
- 12.b. Illustrate the exceptions to the law of demand. CO2 K2
- 13.a. Explain the types of product. CO2 K3
(or)
- 13.b. Explain the long run and short run curve with illustration. CO2 K3
- 14.a. Explain the going rate pricing with example. CO3 K3
(or)
- 14.b. Summarize the monopoly competition. CO3 K3
- 15.a. Write the short notes on i) G.N.P ii) N.N.P. CO4 K3
(or)
- 15.b. Explain the causes of business cycle. CO4 K3

Part C

5 x 12 = 60

Answer all questions

Each answer should not exceed 800 words or four pages

- 16.a. Elaborate the scope of managerial economics with example. CO1 K1
(or)
- 16.b. Examine the role and importance of managerial economist. CO1 K1
- 17.a. Describe the the law of diminishing marginal utility. CO2 K2
(or)
- 17.b. Explain and illustrate the concept of indifference curve technique. CO2 K2
- 18.a. List out and explain the various production function with illustration. CO3 K3
(or)
- 18.b. Explain the law of variable proportion with example. CO3 K3
- 19.a. Explain the condition under which monopolistics price discrimination is both possible and profitable. CO3 K4
(or)
- 19.b. Explain oligopoly? Elaborate the important concept of oligopoly. CO4 K4
- 20.a. Summarize the difficulties in the measurement of national income. CO5 K5
(or)
- 20.b. Select the different phases of business cycle. CO5 K5
