



**PRACTICE SET**  
**End Semester Examination, December, 2025**

**Program: MBA**

**Semester: I**

**Course: Managerial Economics**

**Course Code: 11CC.501**

**Course Learning Objective:**

CLO 1: Understand the concept, nature and scope of managerial economics, the roles of managers in firms, internal and external decisions to be made by manager and an understanding of micro & macroeconomics.

CLO 2: To develop an understanding of the concept of consumer behaviour through different approaches, indifference curve, concepts of demand theory, elasticity of demand and factors affecting it.

CLO 3: It includes production, factors of production, production function, laws of production, concept of cost, cost function, different types of cost, economies and diseconomies of scale.

CLO 4: To enable learners to understand about perfect competitive market and price discrimination as well as pricing under monopoly, perfect competition, monopolistic and oligopoly market structure.

**Course Outcome:**

On completion of the Course, the students will be able to:

CO 1: Understand the nature, definition and concept of economics, managerial economics and its applications in real world business problems. Also analyze the difference between micro and macroeconomics.

CO 2: Apply the concept of cardinal & ordinal utility approach, diminishing marginal utility and equimarginal utility with a systematic theoretical framework. And analyze the demand as well as income cross and advertising elasticity of demand and supply conditions to assess the position of a company.

CO 3: Evaluate fixed and variable factors of production, law of variable proportion and laws of returns to scale. And understand short run, long run cost, explicit & implicit cost, private and social cost for cost analysis decision.

CO 4: Analyze competition strategies, including costing, pricing, product differentiation, and market environment according to the natures of products and the structures of the markets.

## **SECTION A**

Question for Five (5) marks:

- 1) Define Managerial Economics and identify any two characteristics of Managerial Economics. [CO1, Unit I, BTL-LOT, Remember]
- 2) List any three features of Managerial Economics and state any two objectives of Managerial Economics. [CO1, Unit I, BTL-LOT, Remember]
- 3) Compare microeconomics and macroeconomics. (CO1, Unit-1, BTL-LOT, Understand)
- 4) Explain how Micro and Macro Economics are interdependent. [CO1, Unit I, BTL-LOT, Understand]
- 5) List any three applications of Business Economics in management. [CO1, Unit I, BTL-LOT, Remember]
- 6) Define the Cardinal Utility Approach and Mention any two features of the Cardinal Utility theory. [CO2, Unit 2, BTL-LOT, Remember]
- 7) Illustrate the Law of Demand with an example or diagram. [CO2, Unit 2, BTL-LOT, Apply]
- 8) Define Elasticity of Demand and explain the factors used to measure elasticity of demand. [CO2, Unit 2, BTL-LOT, Remember]
- 9) Explain Income Elasticity of Demand and Cross Elasticity of Demand. [CO2, Unit 2, BTL-LOT, Understand]
- 10) State what causes a shift in the demand curve. [CO2, Unit 2, BTL-LOT, Remember]

- 11) Explain Production and the objective of Production. [CO3, Unit 3, BTL-LOT, Understand]
- 12) Compare between Fixed and Variable Factors. [CO3, Unit 3, BTL-LOT, Understand]
- 13) Define and explain the meaning of cost in economics and the concept of cost function.[CO3, Unit 3, BTL-LOT, Remember]
- 14) Explain the importance of cost analysis in managerial decisions. . [CO3, Unit 3, BTL-LOT, Understand]
- 15) List the differences between short-run and long-run production functions. . [CO3, Unit 3, BTL-LOT, Remember]
- 16) Define perfect competition and state the key features of a perfectly competitive market. [CO4, Unit 4, BTL-LOT, Remember]
- 17) Describe how price and output are determined under monopolistic competition. [CO4, Unit 4, BTL-LOT, Understand]
- 18) Define the term Monopoly Control State the need for controlling Monopoly. [CO4, Unit 4, BTL-LOT, Remember]
- 19) Define oligopoly and state the key characteristics of an oligopolistic market. [CO4, Unit 4, BTL-LOT, Remember]
- 20) Explain how a monopolist can influence price and identify the factors leading to monopoly power. [CO4, Unit 4, BTL-LOT, Understand]

## SECTION -B

Question for Ten (10) marks:

- 21) Evaluate the role and relevance of managerial economics in today's competitive business environment. [CO1, Unit 1, BTL-HOT, Evaluate]
- 22) Describe the importance and application of business economics in business decision-making.[CO1, Unit 1, BTL-LOT, Remember]
- 23) State the major contributions of managerial economics to modern business practices and illustrate with examples. .[CO1, Unit 1, BTL-LOT, Remember]

- 24) Analyze the factors that cause movement along versus a shift in the demand curve, and illustrate their impact using suitable diagrams.. [CO2, Unit 2, BTL-HOT, Analyse]
- 25) “List the key assumptions of the Indifference Curve Analysis and draw and label an indifference curve diagram to show consumer preferences.” [CO2, Unit 2, BTL-LOT, Remember]
- 26) Define elasticity of demand and explain the factors affecting elasticity of demand. [CO2, Unit 2, BTL-LOT, Remember]
- 27) Differentiate between fixed and variable factors of production with suitable examples. [CO3, Unit 3, BTL-HOT, Analyse]
- 28) Define production and explain the main factors of production with examples. CO3, Unit 3, BTL-LOT, Remember]
- 29) Illustrate the relationship between total, average, and marginal products.CO3, Unit 3, BTL-LOT, Remember]
- 30) Evaluate the efficiency of perfect competition as an ideal market structure. [CO4, Unit 4, BTL-HOT, Evaluate]
- 31) List the characteristics of an oligopolistic market and identify the factors influencing pricing decisions in an oligopoly. [CO4, Unit 4, BTL-LOT, Remember]
- 32) “Define monopoly and state the main characteristics of a monopoly market.” [CO4, Unit 4, BTL-LOT, Remember]

### SECTION C

Question for twenty (20) marks:

- 33) Analyze the nature and scope of managerial economics and evaluate its role in effective business decision-making. [CO1, Unit 1, BTL-HOT, Analyse]
- 34) Evaluate the contribution and application of business economics to modern business management, using suitable examples. [CO1, Unit 1, BTL-HOT, Evaluate]
- 35) Analyze the Law of Demand with the help of real-world examples and identify situations where it does not hold true. [CO2, Unit 2, BTL-HOT, Analyse ]
- 36) Evaluate how elasticity of demand affects pricing, production, and advertising decisions of firms. [CO2, Unit 2, BTL-HOT, Evaluate]
- 37) “ Analyze and discuss how the concept of production function helps managers in optimizing resource utilization and output levels.” [CO3, Unit 3, BTL-HOT, Analyse]
- 38) Evaluate how understanding the cost function helps managers in forecasting, budgeting, and profit planning. .” [CO3, Unit 3, BTL-HOT, Evaluate]

39)“ Analyze and discuss the effectiveness of government measures in controlling monopoly power in an economy.” [CO4, Unit 4, BTL-HOT, Analyse]

40) Analyze the conditions necessary for successful price discrimination and evaluate its impact on consumer welfare. [CO4, Unit 4, BTL-HOT, Analyse]

**Summary:**

CO Wise:

CO	Ques. No	Marks
CO1	1,2,3,4,5,21,22,23,33 & 34	95
CO2	6,7,8,9,10,24,25,26,35&36	95
CO3	11,12,13,14,15,27,28,29,37&38	95
CO4	16,17,18,19,20,30,31,32,39&40	95

Unit Wise:

Unit	Ques. No	Marks
I	1,2,3,4,5,21,22,23,33 & 34	95
II	6,7,8,9,10,24,25,26,35&36	95
III	11,12,13,14,15,27,28,29,37&38	95
IV	16,17,18,19,20,30,31,32,39&40	95

Blooms Taxonomy Level (BTL) Wise

BTL	Ques. No	Marks
LOT	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,22,23,25,26,28,29,31,32	180
HOT	21,24,27,30,33,34,35,36,37,38,39,40	200

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**Disclaimer:** - This is a Practice Set. The Question in End term examination will differ from the Practice set. This Practice set is meant for practice only.