

ANURAG Engineering College

(An Autonomous Institution)

I MBA I Semester Regular/Supplementary Examinations, February-2025

BUSINESS ECONOMICS**(MASTER OF BUSINESS ADMINISTRATION)****Time: 3 Hours****Max. Marks: 60****Section – A (Short Answer type questions)****(10x1M=10 Marks)****Answer All Questions**

Course	B.T	Marks
Outcome	Level	

1. List the basic economic principles.	CO1	L1	1M
2. What is the relevance of business economics to managers?	CO1	L1	1M
3. What is cross elasticity of demand?	CO2	L1	1M
4. Define market equilibrium.	CO2	L1	1M
5. Discuss about economies of scale.	CO3	L2	1M
6. Show cobb-Douglas production function?	CO3	L1	1M
7. How does oligopoly differ from monopolistic market?	CO4	L1	1M
8. What is 'Long-run Average Cost Curve'?	CO4	L1	1M
9. Recall the effects of dumping.	CO5	L1	1M
10. What is Product Life Cycle?	CO5	L1	1M

Section B (Essay Questions)**Answer all questions, each question carries equal marks.****(5 X 10M = 50M)**

11. A) Discuss the nature and scope of Business economics.	CO1	L3	10M
OR			
B) What is the principle of equi-marginalism? Explain the importance of opportunity cost in managerial decision making?	CO1	L3	10M
12. A) What is demand forecasting? Explain the methods of demand Forecasting.	CO2	L3	10M
OR			
B) How do you measure the elasticity of demand and explain the different types of price elasticity of demand?	CO2	L3	10M
13. A) What is the production function. Explain the production function with one and two variables.	CO3	L3	10M
OR			
B) What is cost? Explain the determinants and different type of costs.	CO3	L3	10M
14. A) Define and differentiate between perfectly competitive and monopoly competitive firms.	CO4	L3	10M
OR			
B) Write the features of Oligopoly markets. Explain how price and output are determined in Monopolistic competitive markets	CO4	L3	10M
15. A) Explain different pricing strategies in practice that you recommend to a firm at the time of introducing its new products in the market.	CO5	L3	10M
OR			
B) What is pricing policy? Explain managerial and behavioural theories of firm.	CO5	L3	10M