Register No : ___________________

THE KAVERY ENGINEERING COLLEGE

(An Autonomous Institution)

MBA DEGREE END SEMESTER THEORY EXAMINATIONS, NOV/DEC 2025

First Semester

Master of Business Administration

PMBT2403 - Managerial Economics

Regulations - 2024

Duration : 3 Hrs | *Maximum : 100 Marks*

*PART – A (ANSWER ALL QUESTIONS) (Marks 10*2=20)*

Q.No	*Questions*	*BTL*	*CO*	*Marks*
1.	Define Production Possibility Frontier.	L1	1	2
2.	Differentiate between Microeconomics and Macroeconomics.	L2	1	2
3.	State the meaning of Economies of scale.	L1	2	2
4.	Write the concept of Returns to scale.	L2	2	2
5.	State the meaning of Imperfect Competition.	L1	3	2
6.	Write short note on Market efficiency.	L2	3	2
7.	Define Aggregate Demand.	L1	4	2
8.	What is mean by National Income?	L2	4	2
9.	Recall Okun's Law.	L1	5	2
10.	Define the term Inflation.	L2	5	2

*PART – B (ANSWER ALL QUESTIONS) (Marks 5*16 = 80)*

Q.No			*Questions*	*BLT*	*CO*	*Marks*
11.	a	i	Explain the three fundamental economic problems with suitable examples.	L2	1	8
		ii	Describe the concept of scarcity and its relevance in economics.	L2	1	8
			Or			
	b		Compare microeconomics and macroeconomics with example.	L2	1	16
12.	a	i	Describe the concept of consumer equilibrium using utility analysis.	L2	2	8
		ii	Explain the short-run and long-run production functions with diagrams.	L2	2	8
			Or			
	b		Explain the concept of economies and diseconomies of scale in details.	L2	2	16
13.	a		Analyse the difference between perfect and imperfect markets.	L3	3	16
			Or			
	b		Illustrate the interaction between product and factor markets with examples.	L3	3	16

14.	a	i	Examine the circular flow of income with the help of a diagram.	L3	4	8
		ii	Illustrate the components and determination of national income.	L3	4	8
			Or			
	b		Examine the concept and importance of the multiplier effect.	L3	4	16
15.	a		Analyze the Phillips curve and the trade-off between inflation and unemployment.	L4	5	16
			Or			
	b		Analyze the causes and effects of inflation in an economy.	L4	5	16