



Reg. No.:

Name:

University of Kerala

Second Semester FYUGP Degree Examination, May 2026

Discipline Specific Core Course

ECONOMICS

UK2DSCECO103 - Managerial Economics

Academic Level: 100-199

2024 Admission onwards

Time: 2 Hours(120 Mins)

Max. Marks: 56

Part A. 6 Marks:Time 5 Minutes.(Cognitive Level :Remember(RE)/Understand(UN)) Objective Type.1 mark each,
Answer all questions

Qn No.	Question	CL	CO
1	What is the primary use of the ARIMA model? Options : A)Predicting future stock prices B)Forecasting time series data C)Analyzing social media trends D)Classifying images	RE	1
2	Which forecasting method involves analyzing past data patterns over time. Options : A)Survey methods. B)Econometric models. C)Trend analysis. D)Biometric forecasting.	RE	1
3	Variable cost per unit Options : A)Remains fixed B)Varies with the volume of production C)Varies with sales D)None of these	UN	1
4	Firms under perfectly competitive markets generally are Options : A)Price makers B)Price givers C)Price taker D)None of these	UN	2
5	What market structure is characterized by a very small number of large firms that are highly interdependent in their pricing and output decisions. Options : A)Perfect Competition B)Monopoly C)Oligopoly D)Monopolistic Competition	UN	3
6	In which production function, the degree of homogeneity is	UN	4

Qn No.	Question	CL	CO
	always one Options : A)Cobb-douglas production function B)CES production function C)VES production function D)None of these		

Part B. 10 Marks.Time:20 Minutes (Cognitive Level:Understand(UN)/Apply(AP))Two-three sentences.2 marks each.Answer all questions

Qn No.	Question	CL	CO
7	The demand function for a product is $Q_d = 800 - 10P$. Calculate the price elasticity of demand when $P = 30$. Is demand elastic or inelastic at this price.	UN	1
8	What is undifferentiated oligopoly	UN	1
9	A product price increases 10% and demand decreases by 5%. Determine whether demand is elastic or inelastic	AP	3
10	How does free entry and exit affect long-term profits in perfect competition.	AP	3
11	Examine the promotional activities of a firm with suitable example.	AP	3

Part C. 16 Marks.Time:35 Minutes.(Cognitive Level :Apply(AP)/Analyse(AN))Short Answer.4 marks each, Answer all 4 questions,choosing among options * within each question

Qn No.	Question	CL	CO
12	A) How would you apply the Cobb-Douglas production function in analyzing inputoutput relationships? OR B) A toothpaste company uses advertising to distinguish its product from competitors. Apply the concept of monopolistic competition to explain this strategy	AP	3, 3
13	A) Write down the real world examples of peak load pricing OR B) How a firm's pricing strategy changes as a product moves from the Maturity stage to the Decline stage of its life cycle.	AP	4, 4

Qn No.	Question	CL	CO
14	A) Analyze the factors that lead to increasing returns to scale in large manufacturing firms OR B) Examine how short-run and long-run cost curves differ in behavior.	AN	2, 2
15	A) Compare marginal cost pricing and markup pricing. OR B) Analyse the external factors in formulating price policy	AN	4, 4

Part D. 24 Marks. Time: 60 Minutes. (Cognitive Level : Analyse(AN)/Evaluate(EV)/Create(CR)) Long Answer 6 Marks each. Answer all 4 questions choosing among options * within each question

Qn No.	Question	CL	CO
16	A) What are the five degrees of price elasticity? Evaluate if they are found in everyday life. OR B) Compare and contrast the cost curves of a Bakery in the short and long run.	AN	2, 2
17	A) Evaluate the relevance of traditional cost theory in modern firms. OR B) Evaluate break even analysis	EV	2, 4
18	A) When does a firm working under perfect competition decide to ; a) shut -down in the short -run b) leave the industry in the long - run OR B) Compare first-degree, second-degree, and third-degree price discrimination.	EV	3, 3

Qn No.	Question	CL	CO
19	A) Compare the characteristics of traditional theory of the firm with managerial theories of firm OR B) Explain the monopolistic competition with real world examples	CR	5, 6

Model Question Paper