

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.) (071)/
BBA IN SPORTS MANAGEMENT (472)
EXAMINATION: DECEMBER - 2025
SEMESTER - IV
Sub.: Managerial Economics (BBA23-413)

Date : 29/12/2025**Total Marks : 60****Time: 2.00 pm to 4.30 pm**

Instructions: 1) All questions are compulsory.
 2) Figures to the right indicate full marks.

Q. 1. Choose the most appropriate option. (05)

1. Stagflation is a situation where:
 - a) Inflation and unemployment increase simultaneously
 - b) The economy experiences rapid growth
 - c) Inflation is controlled by monetary policies
 - d) Only demand-pull inflation is present
2. Which of the following best describes Monopolistic Competition?
 - a) Many firms selling differentiated products
 - b) Few firms controlling the market
 - c) A single seller with no competition
 - d) Firms selling identical products
3. Which factor does NOT directly affect supply?
 - a) Price of inputs
 - b) Government regulations
 - c) Consumer tastes and preferences
 - d) Technological advancements
4. If the price elasticity of demand is greater than 1, the demand is:
 - a) Inelastic
 - b) Elastic
 - c) Unitary elastic
 - d) Perfectly inelastic
5. Which concept helps in making decisions where choosing one alternative leads to giving up another?
 - a) Marginal Cost
 - b) Opportunity Cost
 - c) Sunk Cost
 - d) Fixed Cost

Q. 2. State True / False (05)

1. A monopoly faces no competition in the market
 - a) True
 - b) False
2. The central bank can use monetary policy to control inflation
 - a) True
 - b) False
3. Oligopoly markets have many sellers and easy entry for new firms
 - a) True
 - b) False
4. Cross elasticity of demand is negative for substitute goods
 - a) True
 - b) False
5. A managerial economist's role is limited to financial decision-making only
 - a) True
 - b) False

Q. 3. Write Short notes on (Any Three) (15)

1. Factors Affecting Supply
2. Product Differentiation and Branding in Monopolistic Competition
3. Inflation: Definition and Types

4. Perfect Competition
5. Opportunity Cost and its Business Applications

Q. 4. Answer in detail (Any Two) (20)

1. Define Business Cycles and explain the four phases in detail.
2. Explain the concept of Oligopoly and its key characteristics
3. Define demand and explain the various determinants of demand with examples.

Q. 5. Case study (15)

A manufacturing company is struggling to maintain production costs due to rising raw material prices. How should they adjust their pricing and production strategy in an inflationary environment?

Questions:

1. Draw law of variable proportions of the manufacturing company and its cost structure
 2. Analyse in which phase of business cycle the company is operating? And elaborate
 3. What methods can be implemented by government to control inflation and help the industry sector?
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