Roll No: | | | | | | | | | | |

PRESIDENCY UNIVERSITY

GAIN MORE KNOWLEDGE
REACH GREATER HEIGHTS

Presidency University Act, 2013 of the Karnataka Act No. 41 of 2013 | Established under Section 2(f) of UGC Act, 1956
Approved by AICTE, New Delhi | Approved By BCI
Bengaluru

Mid Term Examinations - October 2026

Date: 06/10/2026 **Time:** 09:30 AM - 11:00 AM

Course Code: CBS1001 **Course Name:** Managerial Economics

Semester: First Semester **Max. Marks:** 50 **Weightage:** 50%

CO - Levels	CO1	CO2
Marks	112	68

PART A: Answer Following Questions. 10 M

Q.N.	Questions	M	CO	BT
1	List out Factors of production.	2	CO1	BT1
2	Define Managerial economics.	2	CO1	BT1
3	Define demand.	2	CO1	BT1
4	State the meaning of production.	2	CO2	BT1
5	Distinguish between short run and long run.	2	CO2	BT1

PART B : Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
6	Explain the concept of market equilibrium. With the help of a suitable diagram, explain the impact of an increase in the supply of a product on its equilibrium price and equilibrium quantity.	10	CO1	BT2
7	Explain percentage method for calculating income elasticity of demand.	10	CO1	BT2

PART C: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
8	Define price elasticity of demand and explain the different types of price elasticity of demand with suitable examples and diagrams.	10	CO1	BT2
9	Explain the demand function and state the law of demand. Use a suitable diagram to illustrate and explain the law of demand.	10	CO1	BT2

PART D: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
10	Explain the Law of Variable Proportions with the help of a suitable diagram.	10	CO2	BT2
11	Differentiate between fixed cost and variable cost with the help of suitable examples.	10	CO2	BT2

PART E: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT

<table>
<tr><td>12</td><td>Explain law of returns to scale with suitable examples.</td><td>10</td><td>CO2</td><td>BT2</td></tr>
<tr><td>13</td><td>The following table shows some of the cost information of a firm. Fill in the missing values.

<table>
<tr><th>Units of Output</th><th>Fixed Cost</th><th>Variable Cost</th><th>Total Cost</th><th>Average Fixed Cost</th><th>Average Variable Cost</th><th>Average Total Cost</th><th>Marginal Cost</th></tr>
<tr><td>0</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>1</td><td></td><td>90</td><td></td><td></td><td></td><td></td><td></td></tr>
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<tr><td>6</td><td></td><td></td><td></td><td>5</td><td></td><td>50</td><td></td></tr>
<tr><td>7</td><td></td><td>295</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>8</td><td></td><td></td><td></td><td></td><td></td><td></td><td>45</td></tr>
<tr><td>9</td><td></td><td>410</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>10</td><td></td><td></td><td></td><td></td><td>56</td><td></td><td></td></tr>
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</td><td>10</td><td>CO2</td><td>BT2</td></tr>
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