

2024

COMMERCE

COMM-1036

(Managerial Economics)

Total Marks : 80

Time : 3 Hours

Total number of printed pages - 3

The figures in the margin indicate full marks for the questions

1. Select the correct alternative from the following : $1 \times 10 = 10$
- (a) The slope of demand curve is negative due to –
- (i) Law of variable proportion
(ii) MPC
(iii) Law of diminishing marginal utility
(iv) MPS
- (b) A labour for providing his service will get in return
- (i) Salary (ii) Wages
(iii) Rent (iv) Interest
- (c) Indian Railways is an example of type of market.
- (i) Oligopoly (ii) Competitive
(iii) Monopoly (iv) Impure
- (d) The difference between GDP_{MP} and GNP_{MP} is :
- (i) Depreciation (ii) NFIA
(iii) NIT (iv) Tan

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- (e) Fiscal policy of our country is issued by –
- (i) RBI
 - (ii) State Government
 - (iii) Central Government
 - (iv) Economist
- (f) The relationship between price and quantity supply is
- (i) Direct
 - (ii) Inverse
 - (iii) Linear
 - (iv) Non linear
- (g) is the market with homogeneous product.
- (i) Perfect competition
 - (ii) Oligopoly
 - (iii) Monopolistic competition
 - (iv) Monopoly
- (h) market is the price giver.
- (i) Oligopoly
 - (ii) Monopoly
 - (iii) Perfect competition
 - (iv) Every market
- (i) Government issue deficit policy when there is in the Economy.
- (i) Stability
 - (ii) Inflation
 - (iii) Deflation
 - (iv) None
- (j) The long run production function is known as
- (i) Law of variable production
 - (ii) Return to scale
 - (iii) Law of Constant proportion
 - (iv) Increasing Return to scale

2. Define the following :

2×5=10

- (a) Revealed preference approach
- (b) Isoquant
- (c) Cardinal approach of demand

- (d) Monopoly power
(e) Inflation
3. Answer any four from the following : 5×4=20
- (a) Explain the scope of Managerial economics.
(b) Differentiate between returns to scale and returns to factor.
(c) Explain how price is determined under perfect competition market.
(d) What are the limitations of national income?
(e) Differentiate between Fixed and Flexible exchange rates.
(f) Explain the types of Oligopoly with examples.
4. Answer any four from the following : 10×4=40
- (a) Explain the concept of Circular Flow of Income with related diagram. 10
(b) Explain Robin Marris Theory of managerial economics. 10
(c) In an economy, the Gross Domestic Product at market price is ₹ 1200 lakhs, the Net factor income from abroad is ₹ 50 lakhs, the wear and tear expense (Depreciation) is ₹ 20 lakhs and the NIT is ₹ (-20) lakhs. Calculate the following : 10
(i) GDP_{MP} (ii) GNP_{MP} (iii) NNP_{MP} (iv) NNP_{FC}
(d) Explain the concept of ridge line of labour and capital. 10
(e) Explain the different forms of market. 10
(f) Explain Consumer behavior in economics. Also describe the relationship between cardinal utility approach and ordinal utility approach. 5+5=10