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Total No. of Pages : 02

Total No. of Questions : 17

M.Com. (2018 Batch) (Sem.-1)

MANAGERIAL ECONOMICS

Subject Code : MCOP-102-18

Paper ID : [75334]

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A contains EIGHT questions carrying TWO marks each and students has to attempt ALL questions.
2. SECTIONS-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY and consist of ONE Case Study carrying TWELVE marks.

SECTION-A**Answer briefly :**

1. Define Production Possibility Curve.
2. What are the limitations of indifference curve nanalysis?
3. What is producer' equilibrium?
4. What are the reasons of internal economies of scale?
5. Distinguish between nominal and real interest rates.
6. What are the factors determining supply of a commodity?
7. Define National Income.
8. What are the main features of recession?

SECTION-B**UNIT-I**

9. What is managerial economics? Explain its nature and scope.
10. Define price elasticity of demand. What is its importance?

UNIT-II

11. Describe the method to find out least cost combination of factors of production.
12. Explain Total Revenue, Marginal Revenue and Average Revenue and show the relationship among them.

UNIT-III

13. Explain how price and output are determined under perfect competition.
14. Define rent. How is rent determined?

UNIT-IV

15. What is investment multiplier? How does it relate to marginal propensity to consume?
16. Describe the production method of measuring national income.

SECTION-C

17. Case Study :

The freezing cold spell at the beginning of 2010 not only increased demand for road salt, but it increased demand for gas in the America. Usage reached 454 cubic metres; the previous record was 449 cubic metres set in January 2003. The National Grid which is responsible for energy in the country, issued several warnings in a matter of days that demand could outstrip supply and asked supplier so increase the supply. The National Grid also told major gas users, such as power plants, to reduce demand. Big generators have both gas-fired and coal-fired power stations and are able to choose between the two. In total, 27 large gas users were asked to switch - 12 in the East and 15 in the NorthWest.

Questions :

- a) Illustrate the effect of the cold spell on the demand for gas using a demand curve diagram.
- b) Analyse factors that you think influence demand for gas.