

[This question paper contains 2 printed pages.]

7262

Your Roll No.

M.Com./Sem. I (NC)

G

Paper 4102 : Managerial Economics

Time : 3 Hours

Maximum Marks : 100

*(Write your Roll No. on the top immediately
on receipt of this question paper.)*

Attempt All questions. (with internal choise)

Each question carries equal marks.

Label figures properly.

1. (a) What is the “managerial factor” in growth of the firm ? Are new managers bad ? Discuss.

OR

- (b) Explain the Axioms of Indifference Curve Analysis. Derive an ordinary demand function with the help of Price-Consumption-Curve.
2. (a) Define production function. Describe different stages of law of variable proportion with the help of the diagram.
- (b) Why are cost curves SAC and SMC, U shape ? Discuss economies and diseconomies of scale in this context.

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OR

- (c) What is the rationale for optimum use of variable inputs ? Show the optimum variable input combination using a diagram.
 - (d) Discuss the relationship between long run and short run cost curves. Why is the Long-Run Average cost curve also called a 'learning curve' ?
3. (a) What is oligopoly ? Critically evaluate price determination under Cournot oligopoly.

OR

- (b) Derive the Nominal IS and LM functions and show how disequilibrium can be removed.
4. (a) What are the different types of investors ? How can you explain a downward sloping, convex to the origin Money Demand function.

OR

- (b) Derive an Aggregate Money Supply Function that is sensitive to the Price Level.
5. (a) Describe open economy ? Discuss impact of real interest rate and real exchange rate on small open economy.

OR

- (b) What do you understand by real business cycle ? Discuss impact of real business cycles on changes in government spending, technology and productivity.