

Exam.Code:0501

Sub. Code: 3801

2031

Master of Commerce

First Semester

MC-101: Managerial Economics

(Same for USOL Candidates)

Time allowed: 3 Hours

Max. Marks: 80

NOTE: Attempt five questions in all, selecting atleast one question from each Unit.

x-x-x

UNIT – I

- I. a) What are the functional areas of business and how are they related to managerial economics?
b) What are various functions of any firm? Also list various constraints on the operations of any form. (2x8)
- II. Write a detailed note on marginal analysis and optimization as tools of analysis. (16)

UNIT – II

- III. What is price elasticity of demand? What are its methods of measurement? How it is important in making business decisions? (4,8,4)
- IV. Differentiate between individual and market demand. How both of them affect the decisions of any firm? (16)
- V. Compare and contrast indifference curve approach and revealed preference approach as used for determination of consumer's equilibrium. (16)

UNIT – III

- VI. What are the main features of monopoly? What are the main reasons for monopolies? Also explain how a monopolist always determines price and output where profits are maximum in the long run? (5,5,6)
- VII. Write briefly about:-
a) Pricing of multiple products
b) International price discrimination
c) Dumping
d) Transfer pricing (4x4)

P.T.O.

(2)

- VIII. What is the role of risk and uncertainties in business decisions? Also explain how utility theory help in risk aversions? (8,8)

UNIT – IV

- IX. Explain how technological change, productivity and market structure are related to each other? (16)
- X. Write a detailed note on technological environmental forecasting. (16)

x-x-x