**Faculty of Informatics  
 M.C.A. I Year-I Semester(Main & Backlog) Examination  
 January 2008  
 Modern Economics Analysis  
  
Time:3 Hours Max Marks:80**  
Note:Answer one question from each unit.All questions carry equal marks.  
  
UNIT-I  
  
1.Define Managerial Economics.ow it is useful in decision making of a business firm?  
2.Compare and contrast the following:  
(a)Incremental Reasoning and Marginal Analysis.  
(b)Incremental Cost and Opportunity Cost  
  
UNIT-II  
  
3.(a)State the Law of Demand.What are the exceptions to it?  
(b)Distinguish between Derived Demend and Autonomous Demand.  
4.Define Elasticity of Demand and state its effects. How are the price elasticity, cross elasticity and advertising elasticity measured?  
  
UNIT-III  
  
5.Explain what is meant by a Production Function. Show how a producer achieves an optimum pr least cost combination of factors of production.  
6.Explain various concepts of costs with the help of graphs.  
  
  
  
  
  
UNIT-IV  
  
7.(a)What are the salient features of India’s Five Year Plans?  
(b)What are the trends in National Income growth and structure?  
8.Given the following information regarding an economy:  
Rs. in Crores.  
Net National Product at Market Price 5,000  
Depreciation 300   
Mixed Income 1,000   
Net Indirect Taxes 600  
Net Factor income from abroad 400  
Calculate:  
(a)GDP at market price  
(b)GDP at factor cost  
(c) NDP at market price   
(d)NDP at factor cost   
(e) NNP at market price  
(f) GNP at market price   
(g) GNP at factor cost  
  
UNIT-V  
  
9.Explain the functions and role of Reserve Bank of India.  
10.Explain the salient features of Indian Financial System.