

- Q.22 Explain the concept of value added method of national income
- Q.23 Write any five points of Importance of Consumption
- Q.24 Write a short note on gross domestic income
- Q.25 Mention various features of investment.
- Q.26 Explain the determinants of consumption
- Q.27 Explain the difficulties in measuring National Income
- Q.28 What is relationship between consumption & Income?
- Q.29 Distinguish between primary & secondary sector?
- Q.30 Write a short note on Marginal efficiency of Capital.
- Q.31 Explain the factors which influence level of investment in a Country?
- Q.32 Write the features of Average propensity to consume.
- Q.33 Write a short note on deflation.
- Q.34 Write the name of primary sector & explain it?
- Q.35 What is difference between domestic product & national product in India.

#### SECTION-D

- Note:** Long answer type questions. Attempt any two questions out of three questions. (2x10=20)
- Q.36 What is the relationship between the marginal & average propensity to consume in the standard Keynesian consumption function.
- Q.37 Explain brief three methods of National Income
- Q.38 Explain the various causes of inflation in India.

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#### 4th Sem / Finance Account & Auditing

#### Subject:- Managerial Economics

Time : 3Hrs.

M.M. : 100

#### SECTION-A

**Note:** Multiple choice questions. All questions are compulsory (10x1=10)

- Q.1 High Inflation level in the economy lead to.....in the supply of money
- a) Increase                      b) Decrease
- c) No change                      d) None of these
- Q.2 The .....market assists existing investors in selling their stock
- a) Primary market              b) Capital market
- c) Secondary market              d) None of these
- Q.3 Lower interest rate is likely
- a) Decreased consumption
- b) Increased cost of borrowing
- c) Encourage saving
- d) Increase borrowings & spending
- Q.4 An investor invest in assets known as:
- a) Securities                      b) Block of Assets
- c) Portfolio                      d) None of these
- Q.5 .....is an effective method of control inflation in the economy

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- a) Cash reserve ratio
  - b) Selective control of credit
  - c) Bank rate policy
  - d) None of these
- Q.6 Which of the following concepts is the opposite of inflation?
- a) Deflation                      b) Stagnation
  - c) Recursion                      d) None of these
- Q.7 The main cause of inflation in India
- a) Defective financing
  - b) The inadequate rise in Industries products
  - c) Erratic agricultural growth
  - d) All of them
- Q.8 The item with the maximum weightage in the wholesale price index is
- a) Food item
  - b) manufactured products
  - c) Fuel & Power
  - d) None of these
- Q.9 Managerial economics generally refers to the integration of economic theory with business
- a) Ethics                      b) Management
  - c) Practice                      d) All of these
- Q.10 Which of the following is the correct term for calculating national income at the market price?
- a) Money income              b) non monetary income
  - c) real income                  d) all of these

## SECTION-B

**Note:** Objective type questions. All questions are compulsory. (10x1=10)

- Q.11 Consumption function is relation between income & consumption (True/False)
- Q.12 Basic objective a firm today is \_\_\_\_\_ Profit maximization /Wealth maximization
- Q.13 The difference between the national income & the net national product at market price is known as net direct expenses (True/False)
- Q.14 National income and output are Macro \_\_\_\_\_ variants Flow/Down
- Q.15 Investment is the \_\_\_\_\_ in the capital state over a period of time Change/Unchanged
- Q.16 \_\_\_\_\_ is a index of price paid the producers for their input wholesale price index/Retail price index
- Q.17 What is the full form of GDP?
- Q.18 Define National Income
- Q.19  $APC = C/Y$  (True/False)
- Q.20 Access demand does not affect employment but lead to rise price level (True/False)

## SECTION-C

**Note:** Short answer type questions. Attempt any twelve questions out of fifteen questions. (12x5=60)

- Q.21 What is difference between Domestic income & national income?