Question Paper Code : 70156

M.B.A. DEGREE EXAMINATIONS, NOVEMBER/DECEMBER 2019

First Semester

BA 5101 – ECONOMIC ANALYSIS FOR BUSINESS

(Regulations 2017)

Time : Three Hours   Maximum : 100 Marks

Answer ALL questions

PART – A   (10×2=20 Marks)

1. Recall the difference between productive efficiency and economic efficiency.

2. What is Production Possibility Frontiers (PPF) ?

3. List out the use of market equilibrium.

4. State the supply functions.

5. What do you mean by Market Efficiency ?

6. Define : Perfect Competition.

7. What is disposable income ?

8. Define : GDP.

9. State Okun's law.

10. List out the importance of Philips Curve.

PART – B (5×13=65 Marks)

11. a) Briefly explain the different themes of economics and also comment on the current Indian economic scenario especially after GST implementation.

(OR)

b) What are the salient features of economic growth with the factor called stability ? What steps would you suggest to bring growth with the stability in Indian Economy especially after Demonetization ?

12. a) Explain the concept of price elasticity and income elasticity of demand and distinguish its various types. Describe the role of price elasticity in managerial decision making process.

(OR)

b) "Economies of scale may be internal or external; they may be technical, managerial, financial or risk bearing". Construct your arguments on the above statement with suitable examples.

13. a) What do you understand by monopsony in the labour market ? Explain the equilibrium and the various features of labour market. How does the immigration of workers affect labour supply and labour demand, the marginal product of labour and the equilibrium wage ?

(OR)

b) Define Market Structure. Describe the different types of market structures and pros and cons of the each type with suitable examples.

14. a) Define National Income. Briefly explain the different methods of National Income Computation with suitable arguments and examples.

(OR)

b) Explain the model of aggregate demand and aggregate supply. Critically analysis the shifting of the aggregate demand curve and aggregate supply curve with suitable examples.

15. a) Briefly explain the main causes for the current inflationary trends in Indian economy ? What are the steps taken by the Government of India to contain inflationary trends in Indian economy.

(OR)

b) i) What are the impact of unemployment problems in India ? (7)

ii) Explain the role of monetary policy. (6)

PART – C   (1×15=15 Marks)

16. a) Explain the money market equilibrium, the money multiplier and the significance of the following as either as ultimate or intermediate target as an instrument of monetary policy :

   i) Nominal GDT

   ii) The discount rate

   iii) The money base

   iv) M1

   v) The treasury bill rate

   vi) The unemployment rate.

<div align="center">(OR)</div>

  b) Considering a hypothetical situation, where the reserve with the Central Bank are INR 500 billion and required reserve ratio is 22%. What is the stock money supply in the economy assuming no excess reserves ? If the central bank wishes to increase the money stock by INR 1000 billion, describe briefly what it should do if it uses :

   i) The required reserve ratio only and

   ii) Open market operations only.

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