

Register Number:

M.B.A DEGREE EXAMINATIONS: JANUARY 2011

First Semester

MASTER OF BUSINESS ADMINISTRATION

MBA559: Economics for Business

Time: Three Hours

Maximum Marks: 100

Answer All the Questions:-

PART A (1 x 20 = 20 Marks)

1. Case Study:

Discuss the Economic Environment of India in recent years.

PART B (10 x 2 = 20 Marks)

2. Define Economic Growth.
3. What is Aggregate Demand & supply?
4. Define Consumption Functions?
5. What is Real and Nominal GDP?
6. List down the Objectives of Monetary Policy.
7. Write down the steps involved in Transmission Mechanism.
8. What are the Types of Inflation?
9. Define Cyclical and Structural Unemployment.
10. Differentiate between fixed and variable cost..
11. Define price elasticity of demand.

PART C (4 x 15 = 60 Marks)

12. (a) Explain the circular flow of income and Expenditure of factors of an economy.

(OR)

- (b) What are the macro-economic objectives? Explain each of them with suitable examples.

13. (a) Discuss in detail the estimation of National Income in India according to sectoral classification.

(OR)

(b) What are the components of a business cycle? Discuss the reasons for emergence of business cycle.

14. (a) (i) Explain the three motives of holding money with suitable examples. (9)

(ii) What is meant by money multiplier? Discuss. (6)

(OR)

(b) What are the effects of inflation? Discuss the theory of Phillip curve.

15. (a) What are the Employment strategies of government of India to reduce unemployment.

(OR)

(b) (i) Discuss the concept of consumer equilibrium. (8)

(ii) What is meant by utility theory of consumer? Discuss. (7)
