



MBA DEGREE EXAMINATIONS: JUNE 2015

(Regulation 2012)

First Semester

MASTER OF BUSINESS ADMINISTRATION

MBA618:Economics for Business

Time: Three Hours

Maximum Marks: 100

Case Study:-

PART A (1 x 20 = 20 Marks)

1.

The Turning Point

The Government of India reports that the “*economy has emerged with remarkable rapidity from the slowdown caused by the global financial crisis of 2007-09*”. The turnaround has been fast and strong due to agriculture and continued momentum in manufacturing, although there was a deceleration in services and industry. However, the medium to long-run prospect of the economy, including the industrial sector, continues to be positive. On the demand side, a rise in savings and investment and pickup in private consumption have resulted in strong growth of the gross domestic product (GDP) at constant market price at 9.7 per cent in 2010-11. A sequenced and gradual withdrawal of the monetary accommodation is helping contain inflationary pressures. Notwithstanding the tightening money markets and moderate growth in deposits, the financial situation remained orderly with a pickup in credit growth, vibrant equity market and stable foreign exchanges market. Though downside risks of global events, particularly movement in prices of commodities like crude oil (exacerbated by political turmoil in the Middle East), remain, the Indian economy is poised to further improve and consolidate in terms of key macroeconomic indicators.

Questions:

1. Identify the factors helping India to recover from the recession.
2. What more should be done so that inflationary pressure could be contained?

Answer all the Questions:-

PART B (10 x 2 = 20 Marks)

2. Recall the important of Economics.
3. List down the Marco Economic variables.
4. What are the Determinants of Demand?
5. What is Isoquant?
6. List out the complementary goods.

7. Define BEP.
8. List out the characteristics of Monopoly.
9. What is Markup Pricing and Marginal Cost Pricing?
10. Expand and Explain GDP.
11. Define: Balance of Payment

PART C (4 x 15 = 60 Marks)

12. a) Explain in detail the relationship of economics with other discipline.

(OR)

- b) Discuss the different types of demand with suitable examples.

13. a) Discuss the different types of Elasticity of Demand in detail.

(OR)

- b) Evaluate the different pricing strategies and policies.

14. a) Discuss the different methods of measuring inflation.

(OR)

- b) Explain the price output relationship and equilibrium under monopoly.

15. a) Explain the causes of unemployment and suggest suitable measures.

(OR)

- b) Discuss the various trade cycle theories.
