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Question Paper Code : 71121

M.B.A. DEGREE EXAMINATION, APRIL/MAY 2018
First Semester
BA 7103 – ECONOMIC ANALYSIS FOR BUSINESS
(Regulations 2013)

Time : Three Hours

Maximum : 100 Marks

Answer ALL questions

PART – A

(10×2=20 Marks)

1. Bring out the reasons for scarcity.
2. What do you mean by externalities ?
3. State the meaning of market equilibrium.
4. What is meant by diseconomies of scale ?
5. Bring out the significance of market efficiency.
6. State the meaning of 'Derived Demand'.
7. What are the components of GDP ?
8. Give an account of multiplier effect.
9. What does Okun's law convey ?
10. What is inflation rate ?

PART – B

(5×13=65 Marks)

11. a) Discuss the causes of the fundamental economic problems and suggest suitable remedies to overcome such problems.

(OR)

- b) "The markets and government play a significant role for the economy development of a nation" – Examine.



12. a) What does consumer behavior deal with ? Discuss the various approaches to consumer behavior.

(OR)

- b) Discuss the elasticity of demand and supply with suitable illustrations.

13. a) "Market structure depends on relative cost and demand factors". Do you agree ? Justify your stand with valid reasons.

(OR)

- b) What is imperfect competition ? Examine the costs and consequences of it.

14. a) Elucidate in detail the various methods of determination of national income.

(OR)

- b) Discuss compensatory fiscal policy as a device for controlling cyclical fluctuation.

15. a) Describe the impact of unemployment and offer suitable measures to reduce unemployment.

(OR)

- b) Explain money market equilibrium and illustrate the effect of interest rate and income on money market.

PART – C

(1×15=15 Marks)

16. a) "Scarcity and Efficiency are the twin themes of Economics" – Critically analyse and discuss.

(OR)

- b) "Decline in aggregate demand leads to an economic downturn". Do you agree ? Substantiate your stand.
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