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Question Paper Code : 47037

M.B.A. DEGREE EXAMINATION, JANUARY 2018
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. Define Production Possibility Frontiers (PPF).
2. List out the three fundamental economic problems.
3. What is elasticity of demand ?
4. Recall the difference between production function and cost function.
5. List out the different market structures.
6. What are the factors of production ?
7. Define Aggregate Demand and Supply.
8. What is multiplier effect ?
9. Recall the difference between short run and long run supply curve.
10. Define : Money-Market Equilibrium.

PART – B

(5×13=65 Marks)

11. a) Briefly describe the role of markets and governments in a developing economy like India. Explain with suitable examples.

(OR)

- b) Describe the characteristics of micro economies and macro economies with suitable examples.



12. a) Define Consumer Behaviour. Briefly describe the approaches towards consumer behaviour in the context of consumer equilibrium.

(OR)

- b) Short note on :

- 1) Diseconomies of scale 2) Returns to scale

13. a) Short note on :

- 1) Perfect and imperfect market 2) Firm's equilibrium and supply

(OR)

- b) Briefly explain the process involved in determination of price with suitable examples.

14. a) "In a highly culturally diversified country like India there are peculiar difficulties involved in the process of estimation of national income". Construct your arguments on this statement.

(OR)

- b) Define Fiscal Policy. Briefly describe the various objectives of the fiscal policy in India.

15. a) Briefly describe the determinants of money supply, the theory of liquidity preference and equilibrium in the money market. Explain the relationship between the money market and the aggregate demand curve.

(OR)

- b) Explain the role of Phillips curves in explaining relationship between inflation and unemployment. Explain the measurement of consumer price index and whole sale price index in India.

PART – C

(1×15=15 Marks)

16. a) Explain what happens to each of the following curves as fixed cost increases

- 1) Average fixed cost 2) Short run marginal cost
3) Average variable cost 4) Long run marginal cost

(OR)

- b) What do you understand by monopsony in labour market ? Briefly explain the equilibrium and the various economic features of labour market. How does the immigration of workers affect labour supply, labour demand and the marginal product of labour and equilibrium wage ? Construct arguments with suitable examples.