

Y 7041 ✓

M.B.A. DEGREE EXAMINATION, MAY/JUNE 2005.

First Semester

BA 101 — ECONOMIC FOUNDATIONS OF BUSINESS ENVIRONMENT

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

1. Define 'Macrodynamics'. -
2. What are the elements of national income? - 4
3. What is Per capita real income? - 4
4. Define aggregate supply. - 4
5. What is 'Effective Demand'? - 2
6. What is development finance? - 5
7. Define 'Broad money'. - 5
8. How is under-employment estimated? - 5
9. What is meant by external commercial borrowing? - 5
10. Define 'dumping'. -

PART B — (5 × 16 = 80 marks)

11. (i) Discuss the role of Monetary policy in the Indian perspectives. (6) - 5
- (ii) What are the sources of Broad money? How does the new monetary equation differ from the old ones? (10) - 5

12. (a) Explain the trends in national income growth and structure. What are the new estimates of national income? - 4

Or

- (b) Critically examine the economic planning of India? What are the new features of the latest economic planning? - 5
13. (a) What are the criticism upon classical theory of employment? How does the Keynes approach signify the employment theory? - 5

Or

- (b) Examine the employment policy of India? Draw an employment oriented growth strategy. - 5
14. (a) What are the different avenues of capital formation? Explain the power and prospects of money market. - 5

Or

- (b) How does the inflation affect the small-scale enterprises? Discuss the influence of inflationary pressure on the commodity market. - 4
15. (a) What are the features of foreign trade policy? Discuss the new initiatives of the present trade policy? - 5

Or

- (b) Examine the performance of foreign trade. How do you orient trade theories into the present economy of the external sector? - 5

