

Reg. No. :

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**Question Paper Code : 60202**

M.B.A. DEGREE EXAMINATION, MAY/JUNE 2014.

First Semester

BA 9202/BA 912/ UBA 9102/ 10488 MB 103 — ECONOMIC ANALYSIS FOR  
BUSINESS

(Regulation 2009/2010)

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

1. State any two limitations of macro economics.
2. Distinguish between productive efficiency and economic efficiency.
3. What is income elasticity of demand? How is it expressed?
4. State the law of returns to scale.
5. What are the conditions meant for the equilibrium of the firm and industry under perfect competitions?
6. What is monopsony?
7. What is law of demand?
8. What do you mean by 'paradox of thrift'?
9. List down the components of money market.
10. What is monetary policy?

PART B — (5 × 16 = 80 marks)

11. (a) Define micro economics. Examine its scope and significance.

Or

- (b) "The fundamental economic problem is the problem of choice" – Discuss.

12. (a) Why does a demand curve slope downward to the right? under what circumstances a demand curve slopes upward to the right. Discuss.

Or

- (b) Discuss the nature of short-run and long-run average cost curves. Why is the long-run cost curve flatter than the short-run cost curve?

13. (a) Compare and contrast monopoly equilibrium with equilibrium under perfect competition.

Or

- (b) How is the price of a factor determined when there is imperfect competition? Explain diagrammatically.

14. (a) Explain the main conceptual problems involved in the determination of GNP? How can they be overcome?

Or

- (b) What is fiscal policy? Examine its relevance in the present Indian economic environment.

15. (a) What is meant by trade-off between the rate of inflation and the rate of unemployment? Analyse its policy implications.

Or

- (b) What are the major sources of money supply? Discuss the role of monetary policy in the regulation of money supply?