P2147

[5165]-102

M.B.A. (Semester - I)

102 : ECONOMIC ANALYSIS FOR BUSINESS DECISIONS

(2013 Pattern) (CBCS)

Time : 2:30 Hours]   *[Max. Marks : 50*

Instructions to the candidates:

1) All questions are compulsory.

2) Each question carries 10 marks.

3) Figures to the right indicate marks for that question/sub question.

4) Your answer should be specific and to the point.

5) Draw neat diagrams and illustrations supportive to your answer.

Q1) a) Explain the significance of 'Time' in economic analysis. **[5]**

b) Discuss the objective of maximising firms value as the present value of all future profits. **[5]**

OR

a) What are the basic economic problems?

b) What is incremental & marginal analysis in economics?

Q2) a) How price and output is determined under perfect competition in short Run? **[10]**

OR

b) What are the shapes of the demand curves for the following

i) Life saving drugs

ii) Food grains

iii) Designer watches

iv) Jewellary

v) Salt

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Q3) a) Why are cost curves 'U' in shape? **[5]**

b) How does an exporter 'hedge' its foreign exchange risk? **[5]**

OR

a) From the following information calculate profit earned during the year using marginal costing technique.

FC = Rs.2,50,000/- VC = Rs.10/unit

output level = 75,000 selling price = Rs.15/unit

b) How is break even point calculated with the help of graphical technique?

Q4) a) What are the various instruments available in money market? **[10]**

OR

b) Explain the regulatory role of RBI with regards to currency, credit and balance of payment. **[10]**

Q5) a) i) Explain the following terms related to national income **[6]**

a) GDP

b) NNP

c) Growth Rate

ii) Differentiate between fiscal deficit and revenue deficit. **[4]**

OR

b) What is world trade organisation? Explain its role & functions. **[10]**

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