

Total No. of Questions : 5]

SEAT No. :

P3855

[5265]-1002

[Total No. of Pages : 2

M.B.A.

102 : ECONOMIC ANALYSIS FOR BUSINESS DECISIONS

(2016 Pattern) (Semester-I)

Time : 2¼ Hours]

[Max. Marks : 50

Instructions to the candidates:

- 1) *Solve any one from each question.*
- 2) *All Questions are compulsory.*
- 3) *All Questions carry equal marks.*

Q1) a) What do you understand by “Basic Economic Problem”? Why it is necessary to understand the Basic Economic Problem” in the context of Managerial decision making ? **[10]**

OR

b) What did Adam Smith mean by The Invisible Hand ? Explain with suitable example. **[10]**

Q2) a) Explain the concept of “Elasticity of Demand”. Differentiate between Price and Cross Elasticity of Demand. **[10]**

OR

b) What do you understand by the term “Market Equilibrium”? Expound the equilibrium of Monopoly firm under different cost situations. **[10]**

Q3) a) “Describe “Cost Volume Profit Analysis”. What are the advantages & dis-advantages of cost Volume Profit Analysis? **[10]**

OR

b) Why does an exporter face a foreign exchange risk ? How can the exporter hedge its foreign exchange risk ? **[10]**

P.T.O.

Q4) a) Discuss the Roles and Functions of RBI with respect to

i) Currency

ii) Credit Control;

iii) Balance of Payment.

[10]

OR

b) What is “Capital Market”? Explain the Role of SEBI in Indian Capital Market.

[10]

Q5) a) Enlighten the following terms and their significance in foreign trade:

[2×5=10]

i) GATT

ii) WTO

OR

b) Illuminate the following terms:

[2×5=10]

i) Fiscal Deficit

ii) Capital Account v/s Revenue Account

