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Question Paper Code : 85503

M.B.A. DEGREE EXAMINATION, FEBRUARY 2012.

First Semester

DBA 1603 — ECONOMIC FOUNDATIONS OF BUSINESS ENVIRONMENT

(Regulation 2007/2009)

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — ($10 \times 2 = 20$ marks)

1. What does investment consist?
2. What are the two major types of Inflation?
3. Write a note on Recession.
4. Give an account of 'Multiplier'.
5. Write a note on demand for money.
6. List out the factors determining money supply.
7. State the meaning of disguised unemployment in India.
8. What does 'Philips Curve' convey?
9. Bring out the meaning of foreign trade multiplier.
10. What do you mean by Terms of Trade?

PART B — ($5 \times 16 = 80$ marks)

11. (a) Describe the circular flow of Income.

Or

- (b) Enumerate and explain the objectives and the role of Indian Economic Planning.

12. (a) Critically examine the phases of business cycle.

Or

(b) Examine the role of fiscal policy in the context of liberalization in India.

13. (a) Analyse the role of monetary policy in containing supply of money.

Or

(b) State the meaning of money market equilibrium. Illustrate the equilibrium in the money market.

14. (a) Describe the measures to control inflation.

Or

(b) Discuss in detail the causes of unemployment in the Indian Economy.

15. (a) 'Various countries put up different barriers to free trade despite various gains those countries get from free trade' - Discuss.

Or

(b) Critically evaluate the trade deficit of India in recent years.
