



## P.E.S. College of Engineering, Mandya - 571 401

(An Autonomous Institution affiliated to VTU, Belagavi)

**First Semester, Master of Business Administration (MBA)**

**Semester End Examination; April / July - 2021**

**Business Economics**

Time: 3 hrs

Max. Marks: 100

*Note: Answer all FOUR full questions from PART - A and PART - B (Case Study) is compulsory.*

Q. No.	Questions PART - A	Marks	BLs	COs	POs
1 a.	Explain managerial economics. Discuss the scope of managerial economics.	10	L2	CO1	
b.	Define a Firm. Discuss the different objectives of a business firm.	10	L1	CO2	
<b>OR</b>					
2 a.	Define demand. Discuss the law of demand with the help of a schedule and graph. State the determinants of demand.	10	L1	CO2	
b.	Distinguish between short run and long run. Explain the law of variable proportion.	10	L5	CO3	
3 a.	Define cost. Explain the least cost combination with the help of a graph.	10	L4	CO3	
b.	Compare perfect competition and monopolistic competition.	10	L5	CO2	
<b>OR</b>					
4 a.	List characteristics features of oligopoly market and discuss the pricing strategy of oligopoly market structure.	10	L6	CO2	
b.	Elaborate the concept national income. List the methods of measuring national income.	10	L1	CO2	
5 a.	What is business cycle? Explain the stages of business cycle.	10	L1	CO4	
b.	Explain the concept economic growth. Explain the determinants of economic growth.	10	L6	CO4	
<b>OR</b>					
6 a.	Discuss the Break Even Analysis with a suitable example. Explain the role of BEA in managerial analysis.	10	L6	CO1	
b.	Identify the role of RBI in economic development.	10	L3	CO4	
7 a.	Explain inflation. Discuss the different types of inflation.	10	L6	CO4	
b.	What is digitization? Explain the role of virtual money in digitalization.	10	L1	CO2	
<b>OR</b>					
8.	Develop short notes on the following:				
	a) Opportunity cost				
	b) Law of supply	20	L3	CO1	
	c) Product function				
	d) Commercial Banks				

**PART - B Case study (Compulsory)**

9. The world opened up for globalization almost 3 decades ago. World Bank, IMF, WTO etc, were the front runners for opening the economies across the world. Today the trend is economies are going against the globalization and advocating protectionism. On the other hand, there are regional blocks and they are gaining importance.

India is following the trend and it is evident as it is an important member in BRICS, BIMSTEC. These initiatives are helping India to consolidate its position in the changing global economic circumstances.

RCEP- Regional Comprehensive Economic Participation, it is another regional group that is in news. The whole country is divided into two groups. While there is one set of people supporting India's Inclusion and the other is opposing as it may affect the interest of the agriculturists, live stockiests and cash crop growers, people in favor are of the opinion that it will boost the exports and bring millions of jobs to the country.

**Questions:**

- |   |   |    |     |
|---|---|----|-----|
| a. Defend the idea of globalization is at the last phase.               | 5 | L5 | CO4 |
| b. Justify India's participation in the regional trade blocks.          | 5 | L5 | CO2 |
| c. Outline your opinion on RCEP.  | 5 | L2 | CO4 |
| d. Discuss your views on the global changes and its impact on business. | 5 | L6 | CO4 |

\* \* \*