

Register No.: ..... Name.: .....

## SAINTGITS COLLEGE OF ENGINEERING (AUTONOMOUS)

(AFFILIATED TO APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY, THIRUVANANTHAPURAM)

**FIRST SEMESTER MBA DEGREE EXAMINATION (Regular), DECEMBER 2022**  
(2021 Scheme)

**Course Code : 21MBA107**

**Course Name: Business Economics**

**Max. Marks : 60**

**Duration: 3 Hours**

### PART A

*(Answer all questions. Each question carries 2 marks)*

1. Compare micro and macroeconomics.
2. List out the factors determining demand.
3. Define Law of supply.
4. What is monopolistic competition?
5. How can you classify inflation on the basis of degree?

### PART B

*(Answer any 3 questions. Each question carries 10 marks)*

6. What is equi-marginal principle? Illustrate how this principle helps in optimizing the allocation of resources between the competing ends.
7. Explain the concept of marginal rate of substitution (MRS). What is the significance of MRS in determining the shape of an indifference curve?
8. A producer has two options to produce cow ghee; one is labour intensive and second is capital intensive. Explain how the producer can reach the point of equilibrium with the help of isoquants.
9. Consider the situation of four large firms producing roofing sheets in the market. The firms are interdependent and they control the market price. Identify the type of market and competition and explain its features.
10. The leading car manufacturers in India are planning to launch their electric cars (EVs) into the market. Can you identify and explain the factors affecting price determination for electric cars.

### PART C

*(Compulsory question, the question carries 20 marks)*

11. a) What is Monetary policy. Explain briefly the tools of Monetary Policy used to achieve economic stability.

Marks (10)

- b) Critically analyse the effectiveness of Monetary policy in India containing the inflation.

Marks (10)

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