Roll no..........

MBA SEMESTER II EXAMINATION, 2018

Course – MBA - OUE - 21

ECONOMIC ENVIRONMENT OF BUSINESS

Time: 3 Hours

Max. Marks: 75

Write Your Roll No. on the top immediately on receipt of this question paper.

Note: **Answer any five questions.**
Each question carries 15 marks.

1. Explain what you understand by the concept of "social responsibility of business". Why should businesses develop a sense of social responsibility? Discuss.

2. a) Compare and contrast the different types of economic systems prevalent in the world today.
   b) Describe your understanding of the business cycle.

3. Differentiate between inflation and deflation. What are the major causes of inflation? How can inflation be controlled?

4. Unemployment is a chronic problem, specially in developing countries, which needs structural transformation of the economy. To what extent do economic reforms help to solve the problem? Also comment on the unemplyment situation in India and possible ways to reduce it.

5. a) The greater the magnitude of national income, the greater the level of economic welfare. Do you agree or disagree with the statement. Explain.
   b) Discuss briefly the different methods of calculation of National Income.

6. Explain the types of Fiscal policy? Discuss it's role in curing problems of recession and inflation in an economy.

7. Two major disruptions in the Indian economy were witnessed in the last two years in the form of demonetisation and implementation of GST. What do you think have been their impact on the overall economy of India so far, if any.

8. Write notes on any three of the following:

a) NITI AYOG

b) Circular Flow of Income

c) Credit Creation by Banks

d) GST

e) Tools of Monetary Policy