

(Please write your Exam Roll No.)

Exam Roll No. 1021429713

END TERM EXAMINATION

SECOND SEMESTER [BBA/BBA(B&I)/BBA(TTM)/BBA(MOM)] MAY-JUNE 2014

Paper Code: BBA/BBA(B&I)/BBA(TTM)/BBA(MOM) 104

Subject: Business Economics-II

Time : 3 Hours

Maximum Marks :75

Note: Attempt any five questions. All questions carry equal marks.

- Q1 What do you understand by macro-economics and macro economic variables? Discuss the importance of study of macro economics in business.
- Q2 Discuss the determination of equilibrium level of income in a four sector model.
- Q3 Write notes on **any two** of the following:
(a) problems in the measurement of national income.
(b) process of income propagation with the help of multiplier analysis.
(c) objectives of fiscal policy.
- Q4 Discuss critically the Friedman's approach to demand for money.
- Q5 Marginal efficiency of capital together with the rate of interest determine the volume of investment. Explain.
- Q6 Distinguish between demand pull and cost push inflation. What measures will you suggest for controlling the demand pull inflation?
- Q7 Using IS-LM model, show why an economy can not reach the general equilibrium unless both the product and money market are jointly in equilibrium at a point.
- Q8 Write note on **any two** of the following:
(a) circular flow of income in three sector economy.
(b) measures of money supply in India.
(c) propensity to consume.

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