

Roll No.

Total Pages : 3

BBA/M-20

10503

MANAGERIAL ECONOMICS-II

Paper–BBA-110

Time Allowed : 3 Hours]

[Maximum Marks : 80

Note : Attempt five questions in all, Question No. 1 is compulsory. All questions carry equal marks.

Compulsory Question

1. Explain briefly the following :
 - (i) Difference between Net national product at market price and net National product at factor cost.
 - (ii) What is meant by interest rate flexibility?
 - (iii) Explain important determinants of Keynesian theory of Employment.
 - (iv) How does marginal propensity to consume affect the marginal propensity to save?
 - (v) Give the formula to determine investment multiplier.
 - (vi) What do you mean by demand pull inflation?

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2. Explain the problem of double counting. Also explain the ways of avoiding this problem.
3. Explain the concepts of full employment. How can an economy achieve it?
4. What is consumption function? Discuss the factors on which the consumption function depends?

5. What do you mean by inducement to invest? Discuss the methods of stimulating private investment in an economy.

6. Explain the concepts of multiplier show its forward and backward working.

7. Define inflation. What are its causes. Suggest various measures to correct it.

8. What is Monetary policy? Discuss the tools of monetary policy used to control inflationary situation.