

(i) Printed Pages: 3]

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(ii) Questions : 14]

Sub. Code : 

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Exam. Code : 

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**Bachelor of Commerce 2nd Semester  
Examination**

**1047**

**BUSINESS ECONOMICS-II**

**Paper : BCM-204**

**Time : 3 Hours]**

**[Max. Marks : 80**

**Note :-** (i) Attempt any *four* questions from Section A.

Each question in Section A carries 5 marks.

(ii) Attempt any *two* questions each from Section B and C. Each question in these Sections carries 15 marks.

**Section-A**

1. Differentiate between personal income and disposable income.
2. Define Wages. Distinguish between nominal wages and real wages.

**N-100**

( 1 )

Turn Over

3. Explain Quasi-Rent.
4. Explain Say's Law of Market.
5. Discuss the determinants of marginal efficiency of capital.
6. Explain five measures to raise private investment in an economy. 4×5 = 20

#### Section-B

7. Critically examine the Ricardian theory of rent.
8. State and explain Neo-classical theory of interest rate determination.
9. Differentiate between Gross Profit and Net Profit. To what extent is profit a reward for uncertainty and risk bearing ?
10. Define National Income. Explain the income method and the product method to measure national income of a country. 2×15 = 30

**N-100**

( 2 )

### Section-C

11. Discuss the classical theory of income and employment determination.

12. Define effective demand and explain its determinants.

How does it determine the level of employment ?

13. What is propensity to consume ? What are the various subjective and objective factors which determine it ?

14. Explain the working of static multiplier. Discuss the various leakages of multiplier.  $2 \times 15 = 30$