

(i) Printed Pages : 2

Roll No.

(ii) Questions : 9

Sub. Code :

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Exam. Code :

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Bachelor of Business Administration 2nd Semester

1046

ESSENTIALS OF BUSINESS ECONOMICS-II

Paper : BBAS123

Time Allowed : Three Hours]

[Maximum Marks : 80

Note : (1) Attempt any **four** questions from Section A (each question carries 5 marks)

(2) Attempt any **two** questions from Section B and any **two** essay type questions from Section C (each question carries 15 marks)

SECTION-A

1. Write short notes on :

- (1) Define GDP, National Income, per capital National Income. 2,2,1
- (2) Factors influencing Consumption Function. 5
- (3) Factors affecting Investment. 5
- (4) Average and marginal propensities to consume. 5
- (5) Determinants of Marginal Efficiency of Capital. 5
- (6) Limitations of Multiplier. 5

SECTION-B

2. What is understood by the term 'Macroeconomics'? Discuss its nature and give some limitations of macroeconomics also. 3,6,6
3. Discuss in detail the methods of measuring National Income. Also enumerate the problems involved in measurement of National Income. 10,5
4. Critically evaluate the Classical Theory of Income, Output and Employment. 7,8
5. What is the Psychological Law of Consumption? What is its importance? Cite examples also. 8,7

SECTION-C

6. What is MECL marginal efficiency of capital? What are its determinants? Also evaluate the theory of secular slagnation. 15
7. What do you understand by Keysian Income or Investment Multiplier? What are the uses of Multiplier? 15
8. Critically evaluate the Fiscal policy of India (developing economy). 15
9. What is inflation? What are its types? What measures should be taken to control it? 15