END TERM EXAMINATION
SECOND SEMESTER [BBA] MAY-JUNE 2013

Paper Code: BBA/BBA(B&I/TTM) 104/MOM-104
Subject: Business Economics-II
Time : 3 Hours
Maximum Marks :75

Note: Attempt any six questions. Q. No. 1 is compulsory.

Section – A

(1) Write short notes on any five:
(a) Quantity theory of Money
(b) Liquidity Trap
(c) GDP and Net National Income
(d) Circular flow of income
(e) Fiscal policy and Crowding out
(f) Functions of money

(5x5 = 25)

Section – B (Answer any five)

(2) Distinguish between Micro economics and Macro economics.

(3) What are the major concerns of macroeconomics?

(4) Discuss the meaning and importance of multiplier.

(5) What are the primary motives for holding money? Indicate how important each one is to your own money holding behaviour.

(6) What are the economic and social impacts of inflation? Explain various control measures utilized by central bank to control inflation.

(7) What is equilibrium interest rate? Graphically show the impact of expansionary monetary policy on the position of LM curve and interest rate.

(8) What are the shortcomings of GDP as an indicator of economic growth?

(5x10 = 50)