

Exam. Code : 107302

Subject Code : 2018

B.Com. (Prof.) Semester—II
BUSINESS ECONOMICS—II
Paper—BCP-203

Time Allowed—3 Hours] [Maximum Marks—50

SECTION—A

Note :— Write 5 lines each on any *ten* of the following.
Each question carries 1 mark. $10 \times 1 = 10$

1. (i) Define Net National Product.
- (ii) What is Per Capita Income ?
- (iii) Differentiate between Flow and Stock.
- (iv) What do you mean by Full Employment ?
- (v) What is the Aggregate Supply ?
- (vi) Define Average Propensity to Consume.
- (vii) What is Autonomous Investment ?
- (viii) What do you mean by Dynamic Multiplier ?
- (ix) Define the term Running Inflation.
- (x) Define Marginal Efficiency of Investment.
- (xi) What is Demonstration effect ?
- (xii) Differentiate between Demand pull and Cost push inflation.

SECTION—B

Note :— Attempt any *two* questions. Each carries 10 marks.

2×10=20

2. Differentiate between Macro-economics and Micro-economics. Also discuss the significance of Macro-economics.
3. Define National Income. Explain the various methods of measuring National Income.
4. Explain the classical theory of Employment. On what grounds Keynes criticises it ?
5. What do you mean by Effective Demand ? How it is determined ?

SECTION—C

Note :— Attempt any *two* questions. Each carries 10 marks.

2×10=20

6. Explain Keynes Psychological Law of Consumption and discuss its implications.
7. What is Induced Investment ? Discuss the determinants of inducement of invest.
8. Explain the Multiplier-Accelerator interaction and give its uses in business cycles.
9. How can Inflation be controlled ? Discuss the effects of Inflation.