

Reg. No.

--	--	--	--	--	--	--	--	--	--

BBMBMC 208

**Credit Based Third Semester B.B.M. Degree Examination,
Oct./Nov. 2014
(2012 Scheme) (New Syllabus)
BUSINESS ECONOMICS**

Time : 3 Hours

Max. Marks : 80

Note : A single answer booklet containing 40 pages will be **issued**.
No additional sheets will be issued.

Instruction : Answer **all** the questions.

**SECTION – A
(One mark each)**

1. Answer **any ten in one or two sentences each :** **(1×10=10)**
- What is effective demand ?
 - What is induced investment ?
 - What are business cycles ?
 - What are index numbers ?
 - What is deficit financing ?
 - Distinguish between current expenditure and capital expenditure.
 - What is globalisation ?
 - What is deflationary gap ?
 - Define specific tax.
 - What is meant by regressive taxation ?
 - Mention any two issues discussed at Doha conference.
 - What is consumption function ?

**SECTION – B
(Five marks each)**

Answer **any five in not more than 2 pages each :** **(5×5=25)**

- Explain the implications of the Keynesian theory of employment.
- Point out the merits and demerits of indirect taxes.

P.T.O.



4. Write a note on circular flow of money.
5. Explain the steps in the construction of price index numbers.
6. Explain the concept of inflationary gap.
7. Distinguish between public finance and private finance.
8. Write a note on the impact of WTO on Indian economy.

SECTION – C
(15 marks each)

Answer the following in **not** more than **6** pages **each** :

(3×15=45)

9. Explain the various sources of public revenue.

OR

Explain the causes and effects of inflation. Suggest measures to control it.

10. Explain the construction of price index numbers. What are their uses and limitations ?

OR

Discuss the various methods of the repayment of public debt.

11. What is globalisation ? Discuss its advantages and disadvantages.

OR

Define trade cycle. What are the different phases of trade cycle ?
