BBMBMC 208

Credit Based III Semester B.B.M. Degree Examination, October/November 2016
(2012 Scheme)
ECONOMICS
Business Economics

Time : 3 Hours   Max. Marks : 80

Instruction : *Answer all the questions.*

SECTION – A
(One Mark Each)

1. Answer **any ten** in **one** or **two** sentences **each** :   (1×10=10)

   a) What is aggregate demand ?

   b) Point out any two major issues in macro economics.

   c) What is inflationary gap ?

   d) Define deflation.

   e) Pointout any two instruments of fiscal policy.

   f) Mention any two uses of index number.

   g) What is marginal propensity to save ?

   h) What is Advalorem tax ?

   i) Mention any two merits of direct taxes.

   j) What is degressive tax ?

   k) Mention any two methods of disinvestment.

   l) Expand TRIPS.

P.T.O.

SECTION – B

(Five Marks Each)

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

2. Explain the limitations of monetary policy.

3. Define index number. How are they constructed ?

4. Explain the different phases of business cycle.

5. Write a note on VAT.

6. Pointout the merits and demerits of indirect taxes.

7. Explain the limitations of deficit financing.

8. What are the positive effects of globalisation on Indian economy ?

SECTION – C

(15 Marks Each)

Answer the following in **not** more than **6** pages **each** :   (15×3=45)

9. Define macro economics. Explain the importance and limitations of macro economics.

OR

Define consumption function. What are the factors determining it ?

10. Explain the various sources of public revenue.

OR

Explain the objectives and organisational structure of W.T.O.

11. Explain the causes and effects of inflation.

OR

Discuss the various canons of taxation.

_____