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BBABMC 208/BBMBMC 208

**Credit Based Third Semester B.B.A./B.B.M. Degree Examination,
October/November 2017
(2012 Scheme)
BUSINESS ECONOMICS**

Time : 3 Hours

Max. Marks : 80

- Instructions:** 1) Section – A : Answer **any ten** in **one** or **two** sentences **each**.
2) Section – B : Answer **any five** in **not more than two** pages **each**.
3) Section – C : Answer the following in **not more than 6** pages **each**.

SECTION – A

(one mark each)

1. Answer **any ten** in **one** or **two** sentences **each**: **(1×10=10)**
- Define fiscal policy.
 - What do you mean by regressive tax ?
 - What is disinvestment ?
 - Expand G.S.T.
 - What is profit induced inflation ?
 - Define macro dynamics.
 - What is capital expenditure ?
 - What is meant by specific tax ?
 - Define galloping inflation.
 - What do you mean by cost of living index ?
 - Distinguish between autonomous investment and induced investment.
 - What is private debt ?

P.T.O.



SECTION – B

(five marks each)

Answer **any five** in **not more than two** pages **each** :

(5×5=25)

2. Write a note on deflation.
3. Point out the merits and demerits of direct taxes.
4. Explain the different sources of public revenue.
5. Describe the different phases of trade cycle.
6. Explain the determinants of savings.
7. Explain the role of deficit financing in economic development.
8. Explain the circular flow of money.

SECTION – C

(15 marks each)

(15×3=45)

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

9. Explain Keynes's theory of effective demand.

OR

What are index numbers ? Explain the steps in construction of index numbers. Point out its limitations.

10. Explain the causes and effects of inflation. Suggest remedies.

OR

Describe the various canons of taxation.

11. Explain the arguments for and against globalisation.

OR

Explain the origin, objectives and functions of WTO.