

Exam. Code : 105402

Subject Code : 1442

B.B.A. Semester—II

MANAGERIAL ECONOMICS—II

Paper—BBA-205

Time Allowed- 3 Hours]

[Maximum Marks—50

Note :— (1) Attempt any **TEN** short answer questions from Section-A. Answer each question in upto 5 lines. Each question carries 1 mark.

(2) Attempt **TWO** questions each from Section-B and Section-C. Answer each question in upto 5 pages. Each question carries 10 marks.

SECTION—A

1. (i) Define Macroeconomics.
- (ii) Distinguish between stock and flow variables.
- (iii) Give the importance of National Income.
- (iv) Define disposable income.
- (v) What are the subjective determinants of consumption ?
- (vi) Define internal rate of return.

- (vii) What do you understand by net present value ?
- (viii) Distinguish between accelerator and super multiplier.
- (ix) Define inflation.
- (x) Distinguish between gross investment and net investment.
- (xi) Define natural rate of interest.
- (xii) Define Marginal Efficiency of Capital (MEC).

1×10=10

SECTION—B

- 2. Define National Income. Critically examine the output and expenditure method of measuring national income. 10
- 3. State and explain Keynes's Psychological Law of Consumption. 10
- 4. Define Consumption. Discuss its determinants and importance. 10
- 5. What do you understand by static analysis in the context of Macroeconomics ? How will you distinguish it from comparative statics ? What are the limitations of comparative statics ? 10

SECTION—C

- 6. Define Investment. Distinguish between induced and autonomous investment. Discuss determinants of investment. 10

7. Critically examine Neo-Classical theory of Interest Rate. 10
8. Discuss Demand-Pull theory of Inflation. 10
9. Define multiplier. Under what assumptions does it work ?
Discuss its working. 10