

*This question paper contains 1 printed pages.*

2106

Your Roll No.....

**M.Com./ Sem.II**

**A**

Paper - 6202 : Business Environment  
(Admissions of 2009 and onwards)

Time : 3 hours

Maximum Marks : 70

*(Write your Roll No. on the top immediately on receipt of this question paper.)*

*Attempt all questions .  
All questions carry equal marks*

Q.1 Derive the real LM function and show the impact of nominal factors on the real rate of interest and real output?

**OR**

Derive an aggregate demand function for real cash balances based on Tobin's portfolio approach.

Q 2. Explain Reserve Equation. What is its implication for asset market equilibrium?

**OR**

Derive a modern aggregate demand function and show the relevance of demand management.

Q 3. Explain the trade-off between unemployment and inflation. How do sticky wages explain the form of aggregate supply function?

**OR**

Explain 'Steady State Growth' and show the impact of population growth.

Q 4. Explain stylized facts of a business cycle. What is the role of government spending in a real business cycle?

**OR**

In your opinion is globalization good or bad? Give reasons.

Q 5. What are the developments in the organization of the world-trading environment in the past two decades?

**OR**

What was the purpose of GATT? How has WTO replaced it?