Roll No.   **Total No. of Pages : 02**

Total No. of Questions : 09

BBA (2012 & onward Batches)
Bachelor(SIM)/BRDM (2014 Batch)
(Sem.–2)

MACRO ECONOMICS

Subject Code : BBA-202
Paper ID : [C0241]

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTION TO CANDIDATES :

1. **SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **SECTIONS-B consists of FOUR Sub-sections : Units-I, II, III & IV.**
3. **Each Sub-section contains TWO questions each, carrying TEN marks each.**
4. **Student has to attempt any ONE question from each Sub-section.**

SECTION-A

1. Write briefly :

a. What is the scope of macro economics?

b. Explain two points of significance of national income.

c. Explain money as a medium of exchange.

d. Is say’s law valid in modern day? How?

e. Define Net Present Value.

f. What is liquidity trap?

g. Explain briefly a dynamic multiplier.

h. Differentiate between classical and loanable fund theory of rate of interest.

i. Explain SLR.

j. Define deficit financing.

SECTION-B

Unit-I

2. Examine the usefulness of the concept of national income in analysing economy's aggregate behaviour.

3. Explain the process of circular flow of income and product in a 3-sector closed model.

Unit -II

4. Explain the classical theory of employment. On what grounds Keynes criticised it?

5. Differentiate between absolute and relative income hypothesis.

Unit-III

6. Distinguish between marginal efficiency of capital and marginal efficiency of investment.

7. Discuss the concept of investment multiplier and its role in the theory of income and employment.

Unit-IV

8. Discuss the causes of inflation. How can it be controlled?

9. Critically explain the Keynesian view about money and price.