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

Total No. of Questions : 09

BBA (2012 & onward Batches)
Bachelor in Service Industry Management (SIM)/BRDM (2014 & onwards)
(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. Define macroeconomics.

b. What are the two major difficulties in measuring national income?

c. Define laissez faire.

d. Critically evaluate the say's law of market briefly.

e. Define internal rate of return.

f. Define speculative motive of Keynesian demand for money.

g. What is a static multiplier?

h. Compare the classical and Keynesian theory of interest rate.

i. Define CRR.

j. What are open market operations?

SECTION-B

UNIT-I

2. Explain the various concepts of national income. Under what circumstances national income tends to be underestimated?

3. Explain the circular flow of income (diagrammatically) in an economy including the foreign sector.

UNIT -II

4. '*Supply creates its own demand*'. Critically examine this statement.

5. Compare and contrast the life cycle and permanent income hypothesis.

UNIT -III

6. Discuss the concept of multiplier as put forward by Khan and Keynes.

7. What do you mean by induced investment? Discuss in detail the determinants of inducement to invest.

UNIT - IV

8. Distinguish between demand pull and cost push inflation. How have these two views on inflation been reconciled?

9. Compare and contrast the transactions and cash balances approach of quantity theory of money.