

Roll No.

Total No. of Questions : 07]

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Paper ID [C0208]

(Please fill this Paper ID in OMR Sheet)

BBA (Sem. - 2nd)

MACRO ECONOMICS (BB - 202)

Time : 03 Hours

Maximum Marks : 60

Instruction to Candidates:

- 1) Section - A is **Compulsory**.
- 2) Attempt any **Four** questions from Section - B.

Section - A

Q1)

(10 × 2 = 20)

- a) What is meant by macro economics?
- b) Define personal income and disposable income.
- c) What are the basic assumptions of say's Law of market?
- d) Define Aggregate Demand and Aggregate Supply.
- e) What is the meaning of consumption?
- f) Define marginal efficiency of capital.
- g) What are the three motives of liquidity preference as given by keynes?
- h) What do you mean by tax multiplier?
- i) Distinguish between Demand pull and cost push inflation.
- j) What are the functions of money?

Section - B

(4 × 10 = 40)

Q2) What is real and monetary circular flow of income? Explain these in a two sector economy model.

Q3) Examine the working of investment multiplier. What is the importance of multiplier?

Q4) Critically evaluate absolute income hypothesis of consumption.

Q5) Explain Neo - classical theory of rate of interest. How is it different from classical theory of rate of interest?

Q6) Analyse the role of fiscal policy to control inflation.

Q7) Compare Fisher's equation and Cambridge equation of quantity theory of money. Which one is superior to other and why?

