

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?

