

AR-118

April-2024

BBA., Sem.-II

DSC-M-BBA-122 : Macro Economics for Managers

Time : 2 Hours]

[Max. Marks : 50

1. (A) What is Macro Economics ? Discuss its scope. 5
- ✓ 1. (B) Write a note on the circular flow of National Income in a two-sector model. 5

OR

1. (A) Discuss different methods of estimating National Income in brief. 5
1. (B) Explain different problems of National Income estimation. 5
2. (A) Write a detailed note on Pigou's wage cut theory. 5
2. (B) What is consumption function ? Explain consumption function in detail. 5

OR

2. (A) Write a detailed note on Say's Law of Markets. 5
- ✓ 2. (B) Define investment multiplier. Discuss the concept of investment multiplier in detail. 5
3. (A) Define a business cycle. Discuss its phases. 5
3. (B) What is Inflation ? Discuss its types 5

OR

3. (A) What is Deflation ? Explain its effects. 5
3. (B) Explain different reasons contributing to stagflation. 5
4. (A) What is Fiscal Policy ? Discuss its instruments. 5
4. (B) Explain different types of deficits in the Government budget. 5

OR

4. (A) What is monetary policy ? Explain its objectives. 5
- ✓ 4. (B) Write a detailed note on Quantitative instruments of credit control in detail. 5

5. Multiple Choice Questions : (any ten)

- (1) Who used the term macro economics for the first time ?
 (a) Irving Fisher (b) Adam Smith
 (c) J.M. Keynes (d) Ragnar Frisch
- (2) Which of the following indicates National Income ?
 (a) GDP_{MP} (b) GDP_{FC}
 (c) NDP_{FC} (d) NNP_{FC}
- (3) Difference between GDP_{MP} and NDP_{MP} is _____.
 (a) NIT (b) NFIA
 (c) Depreciation (d) None
- (4) Supply creates its own demand – who gave this law ?
 (a) J.S. Mill (b) J.M. Keynes
 (c) J.B. Say (d) Adam Smith
- (5) When did great depression begin ?
 (a) 1928 (b) 1929
 (c) 1930 (d) 1933
- (6) Which of the following is a consumption function ?
 (a) $S = f(c)$ (b) $C = f(y)$
 (c) $C = f(s)$ (d) None
- (7) How many phases a business cycle has ?
 (a) Four (b) Five
 (c) Seven (d) Eight
- (8) Who introduced the concept of inflationary gap ?
 (a) Keynes (b) Pigou
 (c) Marshall (d) None
- (9) 'During deflation prices tends to increase.' Whether the statement is true or false ?
 (a) False (b) True
 (c) Partially true (d) None
- (10) Which of the following is an instrument of Fiscal Policy ?
 (a) CRR (b) Tax
 (c) SLR (d) Repo Rate
- (11) Which of the following is an instrument of Monetary policy ?
 (a) Tax (b) Public expenditure
 (c) Margin requirements (d) None
- (12) When _____ are deducted from Fiscal deficit we obtain primary deficit.
 (a) taxes (b) subsidies
 (c) net exports (d) interest payments