

Seat No. : \_\_\_\_\_

**AL-124**

**April-2023**

**Int. B.B.A. LL.B., Sem.-II**

**IL-110 : Principles of Economics (Macro)**

**Time : 2:30 Hours]**

**[Max. Marks : 70**

1. Define NI and discuss various concepts of National Income. 18  

**OR**

  - (A) Explain Business Cycle in detail with example. 10
  - (B) How far study of Macro Economics is important ? 8
2. Define money and explain credit creation by commercial banks with example. 18  

**OR**

  - (A) Explain Interest Rate theory with example. 10
  - (B) Discuss concept of Balance of Payments. 8
3. Explain monetary policy and Fiscal policy in detail. 18  

**OR**

  - (A) Discuss Keynesian theory of Income and employment. 10
  - (B) Explain concept of Inflation and its causes. 8
4. (A) Short note : (Any **Two**) 10
  - (1) Investment Multiplier
  - (2) Circular flow of NI
  - (3) Scope of Macro Economics
  - (4) Objectives of Monetary Policy

(B) Answer the following : 6

  - (1) What is GNP ?
  - (2) What is GDP ?
  - (3) What is Liquidity Preference theory ?
  - (4) What is Disposable Income ?
  - (5) What is M4 ?
  - (6) What is Stagflation ?