

## BBA ITF (NEP) Semester 2 Examination

## DSC-C-ITF 122

## Principle of Economic (Macro)

June-2024

Time : 2-00 Hours]

[Max. Marks : 50

- Q.1.** What is meaning of Macro Economics? Discuss the scope of macro Economics. 10
- OR**
- Q.1(A).** Explain Difference between national income at market prices and national income at factor cost. 05
- Q.1(B).** Explain the Methods of measuring national income. 05
- Q.2.** What is Consumption? Discuss the determinants of consumption by Keynes. 10
- OR**
- Q.2(A).** Discuss the leakages and limitations of investment multiplier. 05
- Q.2(B).** Explain Keynes' theory of income in terms of aggregate demand price and aggregate supply price. 05
- Q.3.** Define inflation. Explain the cause of inflation. 10
- OR**
- Q.3(A).** Explain in detail various components of money supply. 05
- Q.3(B).** Describe the various phases of a business cycle. 05
- Q.4.** What is Monetary policy? Discuss Tools of Monetary Policy. 10
- OR**
- Q.4(A).** Explain the structure of balance of payments. 05
- Q.4(B).** Distinguish between balance of trade and balance of payment. 05
- Q.5.** MCQ (Any 10 out of 12) ( Each 1 mark) 10

1. Which of the following topics does not belong to macro economics ?
  - A Investment function
  - B Consumption function
  - C Theory of rent
  - D Theory of general price level
2. The economist who first used the term macro in economics-
  - A Keynes
  - B Irving fisher
  - C Marshall
  - D Ragnar Frisch
3. According to product method, total national income is-
  - A GNP
  - B GDP
  - C NNP
  - D NDP
4. National income at constant prices is known as
  - A Money income
  - B Real income
  - C Total income
  - D Net income
5. On what does transactions demand for money depend?
  - A Income
  - B Interest
  - C Profit
  - D Wage rate
6. M1 refers to
  - A Post office saving deposits
  - B Total deposits of post offices
  - C Currency plus demand deposits

- D Currency plus time deposits
7. Money supply is determined by
- A Currency held by the public
- B Cash reserve ratio
- C Velocity of circulation of money
- D All of the above
8. Wave like changes in business activities are called
- A Secular changes
- B Seasonal fluctuations
- C Business cycles
- D Random changes
9. Monetary policy is implemented by
- A Commercial banks
- B Reserve bank of India
- C Cooperative banks
- D Development banks
10. Fiscal policy is concerned with-
- A Control of money supply in the economy.
- B Rate of interest determination.
- C Revenue and expenditure of the government.
- D Credit rationing
11. Which item belongs to capital account?
- A Visible exports
- B Invisible exports
- C Interest income from abroad
- D Sales of assets
12. In Balance of Payment, how many accounts are there?
- |   |   |   |   |
|---|---|---|---|
| A | 2 | C | 4 |
| B | 3 | D | 5 |