

IMBA in FM/HRPA/BM Semester-2 Examination

DPPG-IMBA/IMBAF/IMBAH_DSC-C_121

ME

Time : 2-00 Hours]

April-2024

[Max. Marks : 50]

Q.1 Define money and explain the functions of money in detail. 10
OR
 Q.1 Explain the process of credit creation by commercial bank with relevant example. 10

Q.2 Explain the process of credit creation by commercial bank with relevant example. 10
OR
 Q.2 Define monetary policy and explain each tool of monetary policy in detail with example. 10

Q.3 Define National income and explain Keynes consumption function with example. 10
OR
 Q.3 Explain the meaning of balance of payments and methods to correct disequilibrium. 10

Q.4 Calculate national income by income method and complete the table given below. 10

PARTICULARS	RS IN CRORES
Indirect tax	1500
Subsidies	700
Profits	1100
Consumption of fixed capital	700
Gross domestic product at market price	17,500
Compensation of employees	9300
Interest	?
Mixed income of self employed	3500
Rent	800

OR

P.T.O

Q.4 Given the following data, find the missing value of 'Government final Consumption Expenditure' and 'Mixed Income of Self Employed' 10

PARTICULARS	RS IN CRORES
National income	71,000
Gross domestic capital formation	10,000
Government final consumption expenditure	?
Mixed income of self employed	?
Net factor income from abroad	1000
Net indirect tax	2000
Profits	1200
Wages and salaries	15,000
Net exports	5000
Private final consumption Expenditure	40,000
Consumption of fixed capital	3000
Operating surplus	30,000

Q.5 Explain the following questions in short. 10

1. Give the formula to calculate national income by expenditure method.
2. Draw the circular flow of national income in two sector economy.
3. What will be the value of investment multiplier, when $MPC = 0.5$?
4. What do you mean by M1 in stocks of money measure?
5. What is dear money policy?
6. Write two points of difference between BOT and BOP.
7. State the methods to correct disequilibrium.
8. What do you mean by margin requirement?
9. What is fiscal policy? Name the tools of it.
10. How to convert GDP at market price to NNP at factor cost?

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