

Seat No. : _____

MI-204

May-2025

B.B.A., Sem.-II

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

Time : 2:00 Hours]

[Max. Marks : 50

1. (A) Define Macro Economics with its importance. 5
- (B) Define Concepts of GDP & GNP. 5

OR

1. (A) Define Circular Flow of Income - Two-Sector Model. 5
- (B) Define Usefulness of NI estimation. 5

2. (A) Define Consumption and Saving Function. 5
- (B) Define Multiplier. 5

OR

2. (A) Define Pigou's wage cut theory. 5
- (B) Define Investment Function. 5

3. (A) Define Business cycle with its Phases. 5
- (B) Define Inflation with its Effects. 5

OR

3. (A) Define Inflation with its Causes. 5
- (B) Define Deflation with its Effects. 5

4. (A) Define Fiscal policy with its Objectives. 5
- (B) Define Budget and Types of deficits. 5

OR

4. (A) Define Monetary policy with its Objectives. 5
- (B) Define Repo Rate & Reverse Repo Rate. 5

5. Attempt any **ten** out of **twelve**.

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- (1) What does Macroeconomics primarily deal with ?
 - (a) Individual consumer behaviour
 - (b) Management principles
 - (c) Economy as a whole
 - (d) Study of plant cells
- (2) Which of the following is a method of estimating National Income ?
 - (a) Statistical Method
 - (b) Experimental Method
 - (c) Income Method
 - (d) Logical Method
- (3) What does GDP stand for ?
 - (a) Gross Domestic Product
 - (b) General Development Plan
 - (c) Government Development Program
 - (d) Global Domestic Price
- (4) Classical economists believed that the economy always operates at full employment. (True / False)
- (5) Keynesian economics supports government intervention during economic downturns. (True / False)
- (6) The Great Depression proved that Classical economic ideas worked perfectly. (True / False)
- (7) Which of the following is not a phase of the business cycle ?
 - (a) Expansion
 - (b) Peak
 - (c) Pollution
 - (d) Recession
- (8) What happens during inflation ?
 - (a) Prices go down
 - (b) Prices stay the same
 - (c) Prices go up
 - (d) Unemployment becomes zero
- (9) What is deflation ?
 - (a) Increase in prices
 - (b) Decrease in prices
 - (c) Increase in income
 - (d) Rise in population
- (10) Define CRR.
- (11) Define SLR.
- (12) Define Bank Rate.