

Seat No. : _____

MO-103

March-2019

Integrated B.B.A. LL.B., Sem.-II

IL BBA 110 : Principles of Economics (Macro)

Time : 2:30 Hours]

[Max. Marks : 70

1. What do you mean by National Income ? Explain National Income at current price and at constant price in detail with examples. 18

OR

(A) Define Macro Economics and write about the scope of Macro Economics. 10

(B) What is Balance of Payment ? Give its structure. 8

2. Define inflation and discuss causes of inflation. 18

OR

(A) Explain Keynes's theory of income and Employment. 10

(B) Explain Investment multiplier. 8

3. (A) What is business cycle ? Discuss its phases in detail. 10

(B) Explain functions of money. 8

OR

Define Monetary Policy and discuss the tools of Monetary Policy in detail. 18

4. (A) Answer any **three** : 10

(1) Gross National Product (GNP)

(2) Gross Domestic Product (GDP)

(3) M_1 , M_2 , M_3 and M_4

(4) Objectives of Fiscal Policy

(5) Stagflation

(B) Answer the following :

- (1) The economist who first used the term macro in Economics.
 - (a) Keynes
 - (b) Fisher
 - (c) Marshall
 - (d) Frisch

 - (2) Open market operations is a tool of _____.
 - (a) Monetary Policy
 - (b) Fiscal Policy
 - (c) Trade Policy
 - (d) Balance Policy

 - (3) In Balance of Payment how many accounts are there ?
 - (a) 2
 - (b) 3
 - (c) 4
 - (d) 5

 - (4) Who gain during inflation ?
 - (a) Wage earners
 - (b) Creditors
 - (c) Debtors
 - (d) Pensioners

 - (5) Which is near money ?
 - (a) Coins
 - (b) Time deposit
 - (c) Promissory notes
 - (d) Demand deposits

 - (6) Keynes model of income is known as
 - (a) full employment model
 - (b) long run model
 - (c) under employment model
 - (d) free market model
-