

Roll No.

Total No. of Pages : 02

Total No. of Questions : 07

BBA (Sem-2)
MACRO ECONOMICS
Subject Code : BB-202
Paper ID : [C0208]

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B contains SIX questions carrying TEN marks each and students have to attempt any FOUR questions.

SECTION-A

1. a. Define Macro Economics.
b. Distinguish between Stock and Flow variables.
c. What are the three phases in which national income can be measured?
d. Define operating surplus.
e. Define marginal propensity to save.
f. What do you understand by unplanned investment?
g. What are the main injections to multiplier?
h. What do you understand by creeping inflation?
i. What is the role of money in a socialistic economy?
j. What are the main objectives of fiscal policy?

SECTION-B

2. On the basis of following data, calculate Net Value Added at market prices :

Sales	Rs. 750
Purchase of raw material	Rs. 300
Depreciation	Rs. 125
Closing Stock	Rs. 10
Opening Stock	Rs. 15

3. Explain say's Law of Market.
4. What is consumption function? Explain Relative Income Hypothesis about consumption function.
5. What is the meaning of Marginal Efficiency of Capital (MEC)? How does equilibrium between rate of interest and MEC determine level of Investment?
6. Define interest. Discuss Keynesian theory of rate of interest.
7. Explain cash Balance Approach of quantity theory of money.