

Subject : Macro Economics

Day : Monday
Date : 13/06/2016



Time : 02.00 PM TO 05.00 PM
Max Marks : 70 Total Pages : 1

N.B.:

- 1) Attempt **ANY THREE** questions from Section – **I** and attempt **ANY TWO** questions from Section – **II**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Answers to both the sections should be written in the **SAME** answer books.

SECTION - I

- Q.1** What are some of the important variables that constitute the subject matter of macroeconomics? (14)
- Q.2** Define the term ‘gross domestic product’. Explain which transactions in the economy are included in G.D.P. (14)
- Q.3** What are differences between Friedman and Cambridge versions of the quantity theory of money? (14)
- Q.4** Explain how the origins of the Keynesian revolution can be found in the problem of unemployment? (14)
- Q.5** Write short notes on **ANY TWO** of the following: (14)
- a) Says Law
 - b) IS / LM curve
 - c) Consumer Price Index (CPI)

SECTION - II

- Q.6** Explain, how economy functions with the help of “Circular Flow of Income”. (14)
- Q.7** Explain the process of Credit Creation by Banks. (14)
- Q.8** Explain why BP schedule and Curve is upward sloping? What factors cause shift in BP schedule? (14)

OR

Write a brief note on ‘Government Budget’ of India with a focus on ‘Fiscal Deficit’. (14)

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