

Roll No.

Total Pages : 3

301202

August/September 2022

BBA (Gen.) II SEMESTER

Macro-economic Analysis and Policy (BBA-GEN-202)

Time : 3 Hours]

[Max. Marks : 75

Instructions :

1. *It is compulsory to answer all the questions (1.5 marks each) of Part-A in short.*
2. *Answer any four questions from Part-B in detail.*
3. *Different sub-parts of a question are to be attempted adjacent to each other.*

PART-A

1. (a) Briefly explain the phases of trade cycles. (1.5)
(b) What is aggregate demand? (1.5)
(c) Name the different theories of consumption. (1.5)
(d) What is the rationale behind business taxes? (1.5)
(e) Explain the concept of permanent income hypothesis. (1.5)
(f) What is the meaning of fiscal deficit? (1.5)

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- (g) Write a short note on inflation. (1.5)
- (h) What is the importance of multiplier in economic analysis? (1.5)
- (i) What are the causes of recession phase in business cycle? (1.5)
- (j) What is the meaning of equilibrium in economics? (1.5)

PART-B

- 2. (a) What do you understand by national income? What are the different concepts of national income? Explain any *one* method of measuring national income in detail. (10)
- (b) Explain the nature and scope of macroeconomics. (5)

- 3. (a) What do you mean by fiscal policy? Why it is important? (5)
- (b) Explain the different instrument of fiscal policy and how these instruments help in price stability? (10)

- 4. What is the basic Keynesian model? What are the assumptions of a simple Keynesian model? How does Keynesian model determine income and employment? (15)

- 5. (a) Why managing fiscal deficit is important? What are the basic issues in managing fiscal deficit? (7.5)
 - (b) What is the regulatory role of central bank in economy? (7.5)

 - 6. (a) What are the different causes of inflation? Explain in detail. (10)
 - (b) What is the effect of inflation? (5)

 - 7. Explain the different instruments of monetary policy? How monetary policy help in controlling inflation? (15)
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