

314124 SYBCBE BE Seat No. _____

DURATION: - 2½ hrs

54703424

MARKS:- 75

Note: - (1) All questions are compulsory.

(2) Figures to the right indicate full marks

(3) Answer to each question must begin on a new page

(4) Draw schedules, graphs and diagrams wherever necessary.

Q.1.A) A Choose the best answer:- (Any 8)

CO1,3-U/R/An/Ap

08M

- 1) Cyclical fluctuations are _____ in nature
a) Rare b) Recurrent c) Long-term d) Short-term
 - 2) The value of multiplier is inversely related to _____
a) MPC b) MPS c) APC d) APS
 - 3) Repo rate is the interest by _____
a) People b) Commercial bank c) Central bank d) Financial institutions
 - 4) Inflation is beneficial to _____
a) Fixed income group b) Business people c) Creditors d) Fixed and temporary income group
 - 5) The free rider problem leads to _____
a) Optimum outputs b) Market efficiency c) Market failure
d) Maximum profit
 - 6) Budget Deficit Fiscal Policy is followed during _____
a) Inflation b) Boom c) Depression d) Deflation
 - 7) Incidents means _____ of tax
a) Final burden b) Shifting c) Initial burden d) Final and Initial burden
 - 8) Debt mobilized from external sources is called _____ debt
a) Internal b) External c) No debt d) Internal & External
 - 9) Foreign direct investment is included in _____
a) Trade account b) Current account c) Capital account d) Revenue account
 - 10) Fixed exchange rate system was _____
a) Unstable b) More stable c) Less stable d) No stable
- B) **State whether the following statements are True or False** CO1,2 U/R/An/A 07M
(Any 7)
- 1) An open economy is one which has no foreign trade
 - 2) Recession is a period of contraction
 - 3) Consumption function implies employment
 - 4) Keynesian theory is a short run theory
 - 5) Objective of monetary policy is full employment
 - 6) Perfect competition always ensures optimum use of resources
 - 7) The burden of direct tax cannot be shifted
 - 8) Modern theory rejects the Ricardian theory of International Trade
 - 9) Balance of payment consist only of visible account
 - 10) FDI involves transfer of technology

Q.2)	Answer Any One question from the following		15M
a)	Explain the scope of macroeconomics	CO2-U/R	08M
b)	Explain features of trade cycle	CO2-U/R	07M
	OR		
a)	What is aggregate supply and aggregate demand	CO2-U/An	08M
b)	Explain the circular flow of four sector economy	CO2-U/An	07M
Q.3)	Answer Any One question from the following		15M
a)	Explain Keynes equity preference theory	CO2-U/Ap	08M
b)	Discuss the quantity theory of money	CO2-Ap/An	07M
	OR		
a)	Explain different types of inflation	CO1,2-An/Ap	08M
b)	What are the criticism of cash Transaction approach	CO1,2-E	07M
Q.4)	Answer Any One question from the following		15M
a)	Explain the factor causing market failure?	CO2-U/R	08M
b)	What are the objectives of fiscal policy	CO2-U/R/An	07M
	OR		
a)	What are the sources of public revenue	CO2-U/R/Ap	08M
b)	Explain the canons of taxation	CO2-U/R/An	07M
Q.5)	Answer Any One question from the following		15M
a)	Explain the role of MNC	CO2-U/R	08M
b)	What are the factors affecting terms of trade	CO2-U/R	07M
	OR		
Q.5)	Write Short Notes on (Any 3)		15M
a)	Circular flow is two sector economy	CO2-U/R	
b)	Structure of union budget	CO1,2/An	
c)	Green GDP	CO2,-An/Ap	
d)	Determinants of money supply	CO1,2-Ap	
e)	Importance of macroeconomics	CO1-U/R	
