

Roll No.

57512

**BBA 2nd Semester (N.S.) 2014-17
Examination – April, 2018**

MACRO ECONOMIC ANALYSIS & POLICY

Paper : BBAN - 202

Time : Three Hours]

[Maximum Marks : 80

Before answering the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard, will be entertained after examination.

Note : Section – A is *compulsory*. Attempt *four* questions from Section – B, selecting at least *one* question from each Unit.

SECTION – A

1. Briefly explain the following :

- (a) Difference between stock & flow.
- (b) Components of aggregate demand.

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- (c) Secular consumption function
- (d) Relationship between APC and MPC
- (e) Nature of Fiscal Policy
- (f) Types of public debt
- (g) Deal monetary policy
- (h) Types of inflation

SECTION - B

UNIT - I

- 2. Describe the circular flow of income in the four sector model.
- 3. Explain the features and causes of booms and recessions.

UNIT - II

- 4. Explain the relation and permanent income hypothesis of consumption function.
- 5. Explain Keynesian model of income determination.

UNIT - III

- 6. Describe the tools of fiscal policy to achieve growth and price stability.

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- 7. Mention the various factors affecting incidence of taxation.

UNIT - IV

- 8. How do banks create credit ? Explain.
- 9. Explain objectives of monetary policy.

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