

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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