Printed Page:- **Subject Code:- AMIBA0204**
Roll. No:

NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA
(An Autonomous Institute Affiliated to AKTU, Lucknow)
MBA (Integrated)
SEM: II - THEORY EXAMINATION (20.... - 20.....)
Subject: Macro Economics

Time: 2.5 Hours **Max. Marks: 60**

General Instructions:
IMP: *Verify that you have received the question paper with the correct course, code, branch etc.*
1. *This Question paper comprises of* ***three Sections -A, B, & C.*** *It consists of Multiple Choice Questions (MCQ's) & Subjective type questions.*
2. *Maximum marks for each question are indicated on right -hand side of each question.*
3. *Illustrate your answers with neat sketches wherever necessary.*
4. *Assume suitable data if necessary.*
5. *Preferably, write the answers in sequential order.*
6. *No sheet should be left blank. Any written material after a blank sheet will not be evaluated/checked.*

SECTION-A 15

1. Attempt all parts:-

1-a. NNP means______. (CO1, K1) 1

(a) GDP – depreciation
(b) GDP + depreciation
(c) NNP – depreciation
(d) GNP – depreciation

1-b. Value of money is_____.(CO2, K1) 1

(a) Directly related to the price level
(b) Inversely related to the price level
(c) Proportionately related to the price level
(d) All the above

1-c. Inflation is the state in which ______(CO3, K1) 1

(a) The value of money decreases
(b) The value of money increases
(c) The value of the money increases first and then decreases
(d) The value of money decreases first and increases later

1-d. The most important determinant of consumption and saving is the:(CO4, K4) 1

(a) Price level.
(b) Level of income
(c) Interest rate.

(d) Level of bank credit.

1-e. The ratio of total deposits that a commercial Banks must keep with Reserve bank of India is called: (CO5, K1) 1

(a) Deposit Ratio

(b) Cash Reserve Ratio

(c) Legal Reserve Ratio

(d) Statutory liquidity Ratio

2. Attempt all parts:-

2.a.	Discuss the goals of Macro Economics. (CO1, K2)	2
2.b.	Define M3 concept of Money Supply. (CO2, K1)	2
2.c.	Define inflation.(CO3, K1)	2
2.d.	Explain C = f (Y).(CO4, K2)	2
2.e.	Define Recession. (CO5, K1)	2

SECTION-B 15

3. Answer any <u>three</u> of the following:-

3-a.	"Increase in real GDP indicate an improvement in the living standards, where as Nominal GDP might not". Comment. (CO1, K5)	5
3-b.	Differentiate between convertible and inconvertible money. (CO2, K4)	5
3.c.	Elaborate Structural unemployment. (CO3, K2)	5
3.d.	"Sum of MPC and MPS must always be equal to 1". Comment. (CO4, K5)	5
3.e.	Discuss what causes Recession. (CO5, K2)	5

SECTION-C 30

4. Answer any <u>one</u> of the following:-

4-a.	Distinguish between GDP and NNP. (CO1, K4)	6
4-b.	"Macro economics has a short term as well as long term impact on economic growth". Comment.(CO1, K5)	6

5. Answer any <u>one</u> of the following:-

5-a.	Suppose the SLR is reduced by 5%, what will be resultant effect on credit creation by banks. (CO2, K5)	6
5-b.	Discuss the factors affecting money supply in a country like India.(CO2, K3)	6

6. Answer any <u>one</u> of the following:-

6-a.	Define deflation. Explain causes of deflation. (CO3, K2)	6
6-b.	Discuss the economic impact of unemployment. (CO3, K2)	6

7. Answer any <u>one</u> of the following:-

7-a.	"During the time of upswing in the economy, the investment is on rise". Comment. (CO4, K5)	6
7-b.	Elaborate on Marginal Efficiency of Capital and its determinants. (CO4, K2)	6

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8. Answer any one of the following:-

8-a.	Explain how monetary policy can inject money supply in the economy. (CO5. K2)	6
8-b.	Differentiate between bank rate and repo rate. Also discuss its role in monetary policy.(CO5, K4)	6

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