

**IV Semester B.B.M. Examination, June/July 2010**  
**MACRO ECONOMICS**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

Answer **any five** questions. **Each** question carries **two** marks : **(2×5=10)**

1. a) What is autonomous investment ?  
b) What is personal disposable income ?  
c) How is macro economics different from micro economics ?  
d) Mention the important sectors of the economy.  
e) What is liberalization ?  
f) Define money market.  
g) What is liquidity ?

**SECTION – B**

Answer **any four** questions. **Each** question carries **five** marks : **(4×5=20)**

2. Discuss the role of government in a market economy.
3. What is fiscal policy ? What are its objectives ?
4. What are business cycles ?
5. What is macro economic equilibrium ? How is it obtained ?
6. Briefly explain the different concepts of money supply.

**P.T.O.**

### SECTION – C

Answer **any five** questions. **Each** question carries **10** marks :

**(5×10=50)**

7. Discuss on different sources of capital in a market economy.
  8. Explain the role of Commercial Banks in an economy.
  9. What is inflation ? How is it controlled ?
  10. How does R.B.I control money supply in a economy.
  11. Which are the important indicators of macro economy ?
  12. Discuss the difficulties in National Income Accounting.
  13. Explain the functions that money performs in a economy.
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