



PG – 1043

I Semester M.F.A. Examination, January 2015  
(Semester Scheme)  
FINANCE AND ACCOUNTING  
Paper – 1.3 : Macro Economics for Business Decisions

Time : 3 Hours

Max. Marks : 80

SECTION – A

1. Answer **any ten** of the following in **3 to 5** lines. **Each** question carries **2** marks.  
(10×2=20)

- a) Define free markets.
- b) What is credit creation ?
- c) State about average propensity to consume.
- d) What is price Index ?
- e) What is Deflation ?
- f) What is National Income ?
- g) What is mixed Economy ?
- h) Give the meaning of financial intermediaries.
- i) Define Public Debt.
- j) Give the meaning of Aggregate Demand.
- k) What is meant by NNP ?
- l) Give the meaning of fiscal policy.

SECTION – B

Answer **any three** questions in about **one page each**. (3×5=15)

2. What is Economic development ?
3. What is black money ? How it is generated and why ? Give examples.

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4. Define Business cycle. Write a note on stages of a business cycle.
5. What is money ? What are its components ?
6. Write the factors determining the economic growth.

SECTION – C

Answer **any two** questions in about **3** pages **each**.

**(2×15=30)**

7. Define unemployment. How do you measure it ? What are different types of unemployment ? What are causes of unemployment ?
8. What is a Central Bank ? How it controls the Inflation or Deflation ?
9. Explain the resources and goals of an economic system.
10. What is aggregate demand ? What are its components ? On what factors does the component depend whether aggregate demand depends on
  - 1) Advertisement
  - 2) Price of products if yes why ? and if not why not ?

SECTION – D

**Compulsory**

**(1×15=15)**

11. What is fiscal policy towards economic stability and how it maintains the stability of Indian Economy ? Describe with suitable examples.
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