I Semester M.Com. Examination, January 2017
(CBCS)
COMMERCE
Paper – 1.3 : Macro Economics for Business Decisions

Time : 3 Hours   Max. Marks : 70

SECTION – A

1. Answer **any seven** of the following sub-questions in about **3-4** lines. **Each** sub-question carries **two** marks.   **(7×2=14)**

   a) What is meant by Gross Domestic Product ?

   b) State the objectives of macro economics.

   c) What does the paradox of thrift state ?

   d) What do mean by Laissez-faire economics ?

   e) Differentiate between Inflation and Deflation.

   f) What is Repo and Reverse Repo Rate ?

   g) What is Risk adverse consumption ?

   h) State the drivers of Economic Growth.

   i) What is Marginal Efficiency of Capital ?

   j) Distinguish between Monetary policy and Fiscal policy.

SECTION – B

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

2. What is Monetary Policy ? Explain its objectives.

3. Distinguish between GNP and NNP.

4. Explain the significance of economic policies.

5. Explain in brief the recent economic development in India.

6. Explain the various phases of Business cycle.

7. Elucidate the linkages among consumption, saving and investment.

SECTION – C

Answer **any three** questions. **Each** question carries **12** marks.   **(3×12=36)**

8. Discuss the different stages of inflation. Give a detailed description about the various measures adopted by RBI to control inflation.

9. Define Multiplier. Bring out the significance and limitations of multiplier.

10. Explain the various problems in the Measurement of National Income.

11. "Free market economy enables better allocation of resources; promote Innovation, economic activities in the Country". Substantiate this statement and highlights the significance of free market economy.

12. Explain in brief the Recent Control measures imposed by RBI to regulate the Monetary System in India.

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