



PG – 1011

I Semester M.Com. Examination, January 2015
(2007-2008 Scheme)(NS)

COMMERCE

Paper – 1.4 : MACRO ECONOMICS FOR BUSINESS DECISIONS

Time : 3 Hours

Max. Marks : 80

SECTION – A

1. Answer **any ten** of the following in about **3 - 4** lines **each**. **Each** sub-question carries **2** marks. **(10×2=20)**
- State the various types of economic system.
 - What is meant by marginal efficiency of capital ?
 - Who is a goldsmith banker ?
 - What do you mean by Selective Credit Control ?
 - What is Core expenditure ?
 - Define inflation.
 - What do you mean by disguised unemployment ?
 - State the meaning of Fiscal Deficit.
 - What do you mean by SDR ?
 - State the instruments of monetary policy.
 - What is meant by demand pull inflation ?
 - What is learning curve ?

SECTION – B

Answer **any three** of the following. Answer to **each** question must be in **one** page.

Each question carries **5** marks.

(3×5=15)

- Explain the relation between money supply and price level.
- Discuss the quantity theory of money.
- What are the reasons for business cycle ? Explain.
- What are the tools of Fiscal policy ? Explain.
- Differentiate between induced investment and autonomous investment.

P.T.O.



SECTION – C

Answer **any three** of the following. Answer to **each** question must be in **3** pages.

Each question carries **15** marks.

(3×15=45)

7. Explain different types of inflation and discuss their relevance in management.
8. Explain the Keynesian theory of income and employment.
9. Discuss different methods of measuring national income. What are their limitations ?
10. What is meant by full employment ? Can an economy achieve it in reality ? Give your reasons.
11. What is meant by consumption function ? What is the distinction between average propensity to consume and marginal propensity to consume ? Discuss the factors determining marginal propensity to consume.

BMSCW