

Vidya Vikas Mandal's  
Shree Damodar College of Commerce & Economics, Margao – Goa  
Third Year B.B.A.(F.S.), Semester V, Semester End Assessment, October 2018  
**MACROECONOMICS**

**Time: 3 hrs**

**Max Marks: 60**

*Instructions: All questions are compulsory with internal choice  
Start each question on a fresh page  
Figures to the right indicate full marks*

- 1a. Diagrammatically explain the concept "Point of Effective Demand". (8)
- 1b. Write short notes on the following: (4)  
(i) Nominal Income and Real Income  
(ii) Personal Income and Disposable Income
- OR**
- 1x. Explain the concept of Investment Function. (8)
- 1y. Write a short note on the concept of Accelerator. (4)
- 2a. What is Money Supply? Explain the concept of Money Supply given by RBI. (8)
- 2b. Explain the motives of Demand for Money. (4)
- OR**
- 2x. Explain the Keynesian approach to Demand for Money. (8)
- 2y. Discuss the functions of Money. (4)
- 3a. Discuss the classification of Public Expenditure. (8)
- 3b. Write short on Administrative Revenue as a source of non-tax revenue. (4)
- OR**
- 3x. What is a budget? Explain the features and structure of a budget. (8)
- 3y. What is Public Debt? Explain the classification of Public Debt. (4)
- 4a. Discuss the qualitative instruments of monetary policy. (12)
- OR**
- 4x. Discuss the concept of Multiplier. Differentiate between Kahn's Employment Multiplier and Keynes Investment Multiplier. (12)
- 5a. Explain the following theories; (8)  
(i) Psychological theory of business cycle.  
(ii) Climatic or Sunspot theory of business cycle.
- 5b. What are business cycles? Explain the features of business cycles. (4)
- OR**
- 5x. Diagrammatically explain the "Phillips Curve" (8)
- 5y. Explain the concepts of Deflation and Stagflation. (4)