Semester M.Com. Degree Examination, January 2015 (CBCS) COMMERCE

Paper - 1.3: Macro Economics for Business Decisions

Time: 3 Hours

Max. Marks: 70

SECTION-A

- Answer any seven of the following in 3 4 lines each. Each question carries
 marks.
 - a) What is meant by Gross National Product?
 - b) State any four goals of economic system.
 - c) What is meant by Per Capita income?
 - d) What is Statutory Liquidity ratio?
 - e) What do you mean by disguised unemployment?
 - f) What is Recession?
 - g) What is Risk averse consumption?
 - h) What is incremental capital output ratio?
 - i) What is repo and reverse repo rate?
 - j) What is Marginal Efficiency of Capital?

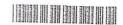
SECTION-B.

Answer any four questions. Each question carries 5 marks.

 $(4 \times 5 = 20)$

- 2. Discuss various factors affecting National Income.
- 3. Explain the Keynesian Consumption Function.
- 4. Enumerate the various tools of monetary policy.
- 5. Discuss the significance of economic policies.
- 6. Explain various resources of economic systems.
- 7. Explain in details the economic development in India.

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SECTION-C

Answer any three questions. Each question carries 12 marks.

 $(3 \times 12 = 36)$

- 8. Define multiplier. Bring out the significance and limitations of multiplier.
- 9. Explain the measures of control imposed by the RBI to regulate the monetary system of India.
- "Fiscal policy refers to the policy of the government regarding public revenue, public expenditure and public debt". Elucidate.
- 11. Explain in detail various problems of Economic Growth and Development of India.
- 12. "Free market economy enables better allocation of resources, promotes innovation and injects dynamism in the industry". Substantiate this statement highlighting the significance of free market economy.



I Semester M.Com. Degree Examination, January 2016 (CBCS)

COMMERCE

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Time: 3 Hours

Max. Marks: 70

SECTION - A

- Answer any seven of the following in 3-4 lines each. Each question carries
 marks: (7x2=14)
 - a) What is economic system?
 - b) What is circular flow of payments?
 - c) What is meant by NNP?
 - d) What is a saving function?
 - e) What is Absolute income hypothesis of keynes?
 - f) What is autonomous investment?
 - g) What is aggregate demand?
 - h) What is conspicuous consumption?
 - i) What is disposable income?
 - j) Comment on the contributions of Adam Smith.

SECTION-B

Answer any four questions. Each question carries 5 marks.

 $(4 \times 5 = 20)$

- 2. Explain the interface of macro economics with business and industry.
- 3. Define National income. Explain the variables included in National Income.

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- 4. Explain the main functions of RBI.
- 5. What are the components of public debt?
- 6. What is investment multiplier? How it is applied in business?
- 7. Bring out the Quantity theory of money as envisaged by Milton Friedman.

SECTION - C

Answer any three questions. Each question carries 12 marks.

(3×12=36)

- 8. Explain the meaning and scope of macro economics.
- 9. Discuss the concepts of MPC and MPS with the help of a numerical example and the graph.
- 10. Explain various functions of money.
- 11. What are fiscal variables? Add a note on impact of fiscal policy on business.
- 12. What is economic growth? Comment on the conflict between growth and stability.