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SEAT No. \_\_\_\_\_

No. of Printed Pages : 1

SARDAR PATEL UNIVERSITY  
B.B.A (ISM) – SEM-II EXAMINATION  
MACRO ECONOMICS  
UM02CBBS09

Date: 05-04-2018, Thursday

Time: 02: P.M. to 04:00 P.M.

Total Marks: 60

Q. 1 Define the circular flow of National Income and explain various [15]  
difficulties in measuring National Income.

OR

Q. 1 What are the merits and demerits of Capitalism and Socialism? [15]

Q. 2 What is Consumption function? Explain various factors affecting [15]  
consumption function.

OR

Q. 2 Explain in detail Keynes Liquidity Preference Theory of Interest. [15]

Q. 3 Explain the functions of Commercial Bank with special emphasis on [15]  
Credit Creation Function.

OR

Q. 3 (A) Write a short note on Functions of Money. [08]

(B) Explain various causes of Disequilibrium in Balance of Payment (BOP). [07]

Q. 4 Define Business cycle and explain various phases of Business cycle. [15]

OR

Q. 4 What are the Merits and Demerits of Direct Tax and Indirect Taxes? [15]

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