

(12)

SADAR PATEL UNIVERSITY

BBA (II Semester) Examination
UM02CBB105 - Macro Economics
Monday, 24 February 2014; 2.30 - 4.30 pm

Total Marks: 60

Note: Figures to the right indicate marks.
Draw Diagrams and cite examples wherever necessary.
All the questions are compulsory.

- Q.1** Discuss in detail basic economic problems of an economy. (15)
OR
- Q.1** What is national income? What are the methods of measurement of national income? (15)
- Q.2** A) Write a note on Multiplier. (08)
B) Explain the concept of Accelerator. (07)
OR
- Q.2** Explain the Keynesian Liquidity Preference Theory of Interest. (15)
- Q.3** Explain various functions of Commercial Bank with special emphasis on the credit creation function. (15)
OR
- Q.3** What is Balance of Payment? Discuss the causes of disequilibrium in balance of Payment and suggest measures for rectification of the disequilibrium. (15)
- Q.4** What is inflation? Explain the types, causes and effects of Inflation. (15)
OR
- Q.4** A) What is business cycle? Explain various phases of a business cycle. (08)
B) What are the merits and demerits of direct tax? (07)
