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

No. of Printed Pages : 01

**SARDAR PATEL UNIVERSITY**

VALLABH VIDYANAGAR - 388 120

-APRIL

**SEMESTER END EXAMINATION MARCH 2019**

**FYBBA-General (3 Years) (Semester - II)**

**UM02GBBA21- MACRO ECONOMICS**

**Day and Date: Friday 05-04-2019**

**Total Marks: 60**

**Time: 2.00 p.m. to 4.00 p.m.**

**Note: Figures to the right indicate marks.**

**Draw diagrams and cite examples wherever necessary.**

- Q-1** What are the basic problems of an economy? (15)  
OR
- Q-1** What is circular flow of national income? Explain the concept using two sector and five sector models. (15)
- Q-2** Discuss the concept of consumption function in detail. (15)  
OR
- Q-2** What is liquidity preference theory of interest? (15)
- Q-3** Write note on (i) Balance of Payments, (ii) Exchange rate and (iii) Any two functions of commercial bank. (15)  
OR
- Q-3** Discuss quantitative and qualitative methods of monetary policy of central bank. (15)
- Q-4** What are the merits and demerits of direct taxes? (15)  
OR
- Q-4** What do you understand by business cycle? Explain various phases of business cycle. (15)

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