SARDAR PATEL UNIVERSITY
F.Y.B.B.A. (IB)/(FT) IInd SEMESTER EXAMINATION (NC)
2016
Monday, 17th October
2.00 p.m. to 4.00 p.m.
UM02CBBB05/UM02CBBF03 - Macro Economics

Total Marks : 60

Note: (1) Figures to the right indicate full marks of the question.
(2) Draw diagram & cite examples wherever necessary.

Q.1   Define effective demand and discuss the principles of effective   [15]
        demand given by Prof. Keynes.

OR

Q.1   . Discuss the concept of Investment multiplier with the help of an   [15]
        example and diagram.

Q.2 (a) Explain the concept of GDP, GNP, NDP, and NNP at market price   [8]
          and at factor cost.

    (b) List out and explain the different methods of measurement of   [7]
         national income.

OR

Q.2   Elaborate the various problems faced in the measurement of   [15]
        national income.

Q.3   What is disequilibrium in balance of payment? Discuss the causes   [15]
        and methods to correct disequilibrium in balance of payment.

OR

Q.3 (a) What is foreign trade multiplier? Explain it with example and   [8]
          diagram.

    (b) Write note on – Exchange rate.   [7]

Q.4   What do you mean by direct taxes? Discuss the advantages and   [15]
        disadvantages of direct taxes.

OR

Q.4 (a) Define public debt. Explain different methods of public debt   [8]
          redemption.

    (b)· Write note on deficit financing and its safe limit.   [7]

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