Jamia Hamdard
School of Management and Business Studies
Department of Management
Even Semester Examination - August 2023
B.Com(H) - II Semester
Macro Economics | BCH 202

Roll No...

Duration: 3 Hour

Max.Marks - 60

Section A - Short Answer

(6X4=24)

Note: Attempt any Six Questions, All questions carry equal marks

Q1: National income is not a reflection of general welfare. Comment

Q2: How is Average Propensity to Consume (APC) different from Marginal Propensity to Consume (MPC)?

Q3: How can public borrowings be dangerous for any economy?

Q4: Monetary policy and Fiscal Policy is one and the same thing. Comment

Q5: State the difference between internal trade and international trade.

Q6: Explain briefly the different stages of trade cycle.

Q7: State which are the different types of Banks in India.

Q8: Discuss briefly the four measures of money supply namely; M1, M2, M3, M4.

Q9: What do you understand by the term Relative Income Hypothesis.

Section B-Long Answer

(3X12=36)

Note: Attempt any Three Questions; All questions carry equal marks

Q1: Discuss in detail the 4-sector model of the Circular flow of the Economy.

Q2: Critically analyse the Keynesian Psychological Law of Consumption.

Q3: What are the various methods to calculate the national income of an economy? Which is the best method according to you?

Q4: What are the main causes of the fiscal deficit in India? Discuss in your own words how can the Government reduce the same.

Q5: What are the objectives of monetary policy and which are the various tools/ instruments used by RBI to control the money supply in the economy?

Q6: The Reserve Bank of India (RBI) decided that it will withdraw the Rs 2,000 denomination banknote from circulation, a move that has triggered mixed reactions across the country. The RBI has asked all the banks to provide deposit and/or exchange facility for Rs 2,000 banknotes till September 30, 2023

Please comment as to

a) Why is the Government withdrawing Rs 2000 notes?

b) What do you think will be its impact on the economy?