



Institute of Management
JK Lakshmipat University
Jaipur

END TERM EXAMINATION, 2018 (Backlog)

BBA & B.Com (Hons.) Sem II
MM: 50 Marks

Course: Macro Economics
Time: 3 Hours
Subject code: GN15

Instructions: Attempt any three questions from Section A. Section B is compulsory.

Section A

Q1. Define inflation and its various types. Discuss the various methods of measuring inflation in India.

(5 +5 marks)

Q2. Discuss the following in detail:

- 1) Tools of Monetary Policy for controlling inflation.
- 2) Fixed Exchange Rate and its merits and demerits.

(10 marks)

Q3. What are the three motives of demand? Explain the Liquidity Preference Theory of interest rate determination.

(5+5 marks)

Q4. What is meant by value of money? Critically examine Fisher's Quantity Theory of Money.

(3 + 7 marks)

Q5. What do you mean by balance of payment? Explain the current account and capital account transactions and their implications on the balance of payments of a country.

(2 +5 + 3 marks)

Section B

Q6. A) Discuss the following:

1. What is Investment multiplier?
2. What is the relationship between MPC and K
3. Explain Dynamic Multiplier with the help of an example.
4. Discuss the two types of Dynamic Multiplier

(20 Marks)