



PG –753

I Semester M.Com. Degree Examination, January 2015
(CBCS)

COMMERCE

Paper – 1.3 : Macro Economics for Business Decisions

Time : 3 Hours

Max. Marks : 70

SECTION – A

1. Answer **any seven** of the following in **3 – 4 lines each**. **Each** question carries **2 marks**. **(7×2=14)**
- a) What is meant by Gross National Product ?
 - b) State any four goals of economic system.
 - c) What is meant by Per Capita income ?
 - d) What is Statutory Liquidity ratio ?
 - e) What do you mean by disguised unemployment ?
 - f) What is Recession ?
 - g) What is Risk averse consumption ?
 - h) What is incremental capital output ratio ?
 - i) What is repo and reverse repo rate ?
 - j) What is Marginal Efficiency of Capital ?

SECTION – B

Answer **any four** questions. **Each** question carries **5 marks**. **(4×5=20)**

2. Discuss various factors affecting National Income.
3. Explain the Keynesian Consumption Function.
4. Enumerate the various tools of monetary policy.
5. Discuss the significance of economic policies.
6. Explain various resources of economic systems.
7. Explain in details the economic development in India.

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SECTION – C

Answer **any three** questions. **Each** question carries **12** marks. **(3×12=36)**

8. Define multiplier. Bring out the significance and limitations of multiplier.
 9. Explain the measures of control imposed by the RBI to regulate the monetary system of India.
 10. "Fiscal policy refers to the policy of the government regarding public revenue, public expenditure and public debt". Elucidate.
 11. Explain in detail various problems of Economic Growth and Development of India.
 12. "Free market economy enables better allocation of resources, promotes innovation and injects dynamism in the industry". Substantiate this statement highlighting the significance of free market economy.
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