Roll No										

PRESIDENCY UNIVERSITY

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Bengaluru

Even Semester End Term Examination, May / June 2026		
Date: 20/05/2026		**Time: 09.30 AM - 12.30 PM**
Course Code: BBA1006	**Course Name: Macro Economics**	
Semester: Second Semester	**Max. Marks: 100**	**Weightage: 50%**

CO - Levels	**CO1**	**CO2**	**CO3**	**CO4**
Marks	**38**	**38**	**68**	**36**

Part A: Answer Following Questions. 20 M				
Qn.No	**Questions**	**M**	**CO**	**BT**
1	Recall basic price, producer's price and market price applied in estimating national income.	2	CO1	BT1
2	List out real flows and nominal flows in four sector model of circular flow of income.	2	CO1	BT1
3	Outline structural unemployment in the economy.	2	CO1	BT1
4	List out implications of Say's law of market.	2	CO2	BT1
5	Recogniz the concepts of aggregate demand and aggregate supply in Keynesian theory of employment.	2	CO2	BT1
6	Recognize speculative demand for money in Keynesian theory of Income.	2	CO2	BT1
7	Outline statutory liquidity ratio	2	CO3	BT1
8	Recall consumer price index and whole sale price index.	2	CO3	BT1
9	Recognize current account in Balance of Payments	2	CO4	BT1
10	Outline official settlement account in Balance of Payment.	2	CO4	BT1

Part B: Answer Any 1 Following Questions. 16 M				
Qn.No	**Questions**	**M**	**CO**	**BT**
11.a	Explain various concepts of national income aggregates.	6	CO1	BT2
11.b	Define National Income and discuss various methods to estimate national income and limitations of estimating national income.	10	CO1	BT2

PTO (Please Turn Over)

12.a	Explain the concept of economic growth and its characteristics.	6	CO1	BT2
12.b	Discuss in detail about business cycles and different phases of it with the help of diagram.	10	CO1	BT2

Part C: Answer Any 1 Following Questions. 16 M				
Qn.No	**Questions**	**M**	**CO**	**BT**
13.a	Discuss how Keynes rejected Say's law of market and proposed demand creates employment and income in an economy.	6	CO2	BT2
13.b	Discuss classical theory of employment and discuss the simultaneous equilibrium in goods market, factor market and money market, with the help of diagrams.	10	CO2	BT2
14.a	Explain transaction demand for money as per Keynesian approach to liquidity preference.	6	CO2	BT2
14.b	Discuss in detail about precautionary demand and speculative demand for money as per Keynesian approach to liquidity preference.	10	CO2	BT2

Part D: Answer Any 1 Following Questions. 16 M				
Qn.No	**Questions**	**M**	**CO**	**BT**
15.a	Explain inflation and types of inflation based on inflationary tendencies.	6	CO3	BT2
15.b	Explain types of inflation based on causes and sources and discuss about effects of inflation on different sections in the society	10	CO3	BT2
16.a	Expalin the implications of Philip's curve.	6	CO3	BT2
16.b	Explain the trade off between inflation and unemployment as depicted in Philip's curve with the help of diagram.	10	CO3	BT2

Part E: Answer Any 1 Following Questions. 16 M				
Qn.No	**Questions**	**M**	**CO**	**BT**
17.a	Explain Balance of Payments and its significance in the economy.	6	CO4	BT1
17.b	Discuss about current account, capital account and official settlement account in BoP and explain the nature of the items in each account.	10	CO4	BT2
18.a	Explain how disequilibrium in Balance of Payments affect currency exchange rate of a country.	6	CO4	BT2
18.b	Discuss the causes of disequilibrium in the market and measures to correct them through monetary policy and fiscal policy.	10	CO4	BT2

Part F: Answer Any 1 Following Questions. 16 M				
Qn.No	**Questions**	**M**	**CO**	**BT**
19.a	Discuss about monetary policy and its importance in the economy.	6	CO3	BT2
19.b	Discuss about quantitative and qualitative measures to regulate money supply in the economy.	10	CO3	BT2
20.a	Discuss about fiscal policy and its significance in the economy.	6	CO3	BT2
20.b	Discuss about various types and instruments of fiscal policy.	10	CO3	BT2