



ID NO.

PRESIDENCY UNIVERSITY, BENGALURU
SCHOOL OF LAW

Weightage: 40 %

Max Marks: 40

Max Time: 3 hrs.

07 May 2018, Monday

ENDTERM FINAL EXAMINATION MAY 2018

Even Semester 2017-18

Course: **BAL 202 Macroeconomics**

II Sem. LAW

Instructions:

- (i) *Read the question properly and answer accordingly.*
- (ii) *Question paper consists of 3 parts.*

Part A

(5 Q x 3 M = 15 Marks)

1. Differentiate between autonomous and induced investment? Give examples
2. What are the basic functions of money? What do you understand by inflation?
3. What are the objectives of monetary policy
4. Define unemployment? What are different types of unemployment?
5. What is a fiscal policy? Name the fiscal instruments?

Part B

(3Q x 5 M = 15 Marks)

6. Discuss different types of Budget? Explain various types of taxes collected by government with example.
7. What are the causes of inflation? Who remains in gain and loss during the inflationary phenomenon in an economy?
8. What are the functions of Central bank? What are the instruments of Central bank?

Part C

(1Q x 10 M = 10 Marks)

9. Explain what is a multiplier? Name different multipliers?

In an economy the consumption function is $C = 100 + 0.7Y$, $I = 500$. Find the equilibrium level of income and the value for investment multiplier by using $Y = C + I$

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Weightage: 30 %

Max Marks: 30

Max Time: 2 HRS.

2 March Friday 2018

MID TERM EXAMINATION

SET A

Even Semester 2017-18 Course: **BAL 202 Macroeconomics**

Sem. II

Instruction:

- (i) Read the question properly and answer accordingly.
- (ii) Question paper consists of 3 parts.

Part A

(3 Q x 4 M = 12 Marks)

1. What are the goals of macroeconomics?
2. Explain the three sector economy in the circular flow diagram.
3. What are the objective and subjective factors influences consumption?

Part B

(2 Q x 5 M = 10 Marks)

4. Explain different measurements of national Income? Explain the procedure followed in India.
5. The table below shows the consumption schedule, calculate APC and MPC

Disposable Income (Y_d)	Consumption (C)	APC	MPC
0	50		
100	125		
200	200		
300	275		
400	350		
500	425		

Part C

(1Q x 8 M = 8 Marks)

6. Define GDP with example.
7. Disposable income
8. Explain Say's law.
9. Factor income
10. Why MPC is low in developed and high in underdeveloped countries
11. Name different sectors present in our economy.
12. Stock variable with examples
13. Transfer payments with example