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Nagarjuna Degree College
38/36, Ramagondanahalli,
Yelahanka Hobli,
Bengaluru - 560 064.

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Reg. No.

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I Semester M.Com. Degree Examination, August- 2021

COMMERCE

Macro Economics For Business Decisions

(CBCS Scheme 2018-19)

Paper : 1.3

Time : 3 Hours

Maximum Marks : 70

SECTION - A

Answer any **Seven** of the following. Each question carries 2 marks.

(7×2=14)

1. a) What is economics? ✓
- b) Define Multiplier.
- c) What do you mean by GNP? ✓
- d) What do you mean by Laissez - faire - economy?
- e) Distinguish between Monetary Policy and Fiscal Policy.
- f) State the difference between inflation and deflation.
- g) Give the meaning of consumption and saving. ✓
- h) What does the paradox of thrift state
- i) What is Public debt?
- j) Name any 2 tools of fiscal policy.

SECTION - B

Answer any **Four** questions. Each question carries 5 marks.

(4×5=20)

2. Explain the role of financial intermediaries in the monetary system.
3. Explain the difficulties in the computation of National Income.
4. Explain the significance and limitations of Multiplier.
5. Write a short note on Free Market and Mixed Economy.
6. Explain the factors determining economic growth.
7. Write a brief note on the phases of business cycle.

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SECTION - C

Answer any **Three** questions. Each question carries **12** marks.

(3×12=36)

8. Explain the significance of macroeconomics in business decisions.
 9. Explain the measures of control imposed by RBI to regulate the monetary system in India.
 10. Discuss the concept of Marginal propensity to consume, Marginal propensity to save with the help of a graph.
 11. Explain the various phases of business cycle and measures used to control the business cycle?
 12. Explain in detail different stages of inflation and also discuss about various measures adopted by RBI to control inflation.
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