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|--|-----------------|------------------------------|
| School: SOASTAL                            | Level: Bachelor | Invigilator's Sign: .....    |
| Program: BBA.LLB                           | Year/Part: I/II | Superintendent's Sign: ..... |
| <b>Subject: Macroeconomics ( BHMN 206)</b> |                 | Code No. ....                |

----- ✂ ----- ✂ ----- ✂ -----  
Code No.

- i. Answers should be given by filling the Multiple-Choice Questions' Answer Sheet.  
ii. The main answer sheet can be used for rough work.

|  |                  |                         |
|--|------------------|-------------------------|
| <b>GROUP A (Multiple-Choice Questions)</b> | <b>[10x1=10]</b> | <b>Time: 20 Minutes</b> |
|--|------------------|-------------------------|

**1. Macroeconomics deals with:**

- (a) Individual consumer behavior (b) **National economic aggregates**  
(c) Firm pricing decisions (d) Market demand of a product

**2. Net National Product (NNP) at factor cost is also known as:**

- (a) GDP (b) Personal income (c) **National income** (d) Disposable income

**3. Depreciation is also called:**

- (a) Capital formation (b) **Consumption of fixed capital** (c) Net investment (d) Gross investment

**4. Inflation refers to:**

- (a) Persistent fall in prices (b) **Persistent rise in prices** (c) One-time price increase (d) Increase in real wages

**5. The main tool of fiscal policy is:**

- (a) Open market operations (b) **Taxation and government spending**  
(c) Interest rate (d) Credit control

**6. If MPC = 0.8, the multiplier is:**

- (a) 2 (b) 4 (c) **5** (d) 10

(Formula:  $1/(1-MPC) = 1/0.2 = 5$ )

**7. Stagflation refers to:**

- (a) High growth & low inflation (b) Low growth & low inflation  
(c) **High inflation & high unemployment** (d) Zero inflation & zero unemployment

**8. Crowding out occurs when:**

- (a) Govt. spending increases private spending (b) **Govt. borrowing reduces private investment**  
(c) Govt. reduces taxes (d) Private investment increases government spending

**9. Money supply (M1) includes:**

- (a) **Cash + demand deposits** (b) Only cash (c) Only demand deposits (d) Bonds

**10. Transfer payments are:**

- (a) Payments for current goods (b) **Payments without exchange of goods/services** (c) Payments for capital goods  
(d) Payments for imports

**Multiple Choice Questions' Answer Sheet**

Marks Secured: \_\_\_\_\_

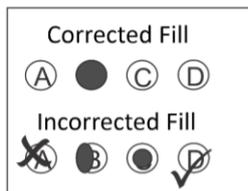
In Words: \_\_\_\_\_

Examiner's Sign: \_\_\_\_\_ Date: \_\_\_\_\_

Scrutinizer's Marks: \_\_\_\_\_

In Words: \_\_\_\_\_

Scrutinizer's Sign: \_\_\_\_\_ Date: \_\_\_\_\_



|                    |                     |
|--------------------|---------------------|
| 1. (A) (B) (C) (D) | 6. (A) (B) (C) (D)  |
| 2. (A) (B) (C) (D) | 7. (A) (B) (C) (D)  |
| 3. (A) (B) (C) (D) | 8. (A) (B) (C) (D)  |
| 4. (A) (B) (C) (D) | 9. (A) (B) (C) (D)  |
| 5. (A) (B) (C) (D) | 10. (A) (B) (C) (D) |

Manmohan Technical University  
Office of the Controller of Examinations  
**Exam Year: 2082, Poush (Model Question)**

|                                     |                 |                |
|-------------------------------------|-----------------|----------------|
| School: SOASTAL                     | Level: BE       | Time: 3 Hours  |
| Program: BBL.LLB                    | Year/Part: I/II | Full Marks: 50 |
| Subject: Macroeconomics ( BHMN 206) |                 |                |

- ✓ Candidates are required to give their answers in their own words as far as practicable.
- ✓ The figures in the margin indicate **Full Marks**.
- ✓ Assume suitable data if necessary.

**Group –B**

**Short answer questions: [8\*4=32]**

1. What is macro-economics?  
OR,  
Explain the Modalities Public- Private Partnership(PPP).
2. Explain the effective demand?
3. If income increases from 500 to 600 and consumption increases from 400 to 460, find MPC.
4. If consumption function is  $C = 50 + 0.8Y$ , find consumption at  $Y = 500$ .
5. State the relationship between MPC and MPS.
6. Define Private-Public Partnership(PPP) Model of economy.
7. What is IS Curve? Explain the Derivation of IS Curve.
8. If government spending = 400, tax revenue = 350, find budget deficit.  
OR,  
Explain the types of Monetary policy.

**Group –C**

**Long answer questions (any two) : [9\*2=18]**

1. Explain the Classical theory of employment.
2. How can Income and output determination in four sector economy? Explain.  
OR,

The NI data of a nation is given below:

| Items                        | Rs. in Crore |
|------------------------------|--------------|
| Wages & Salaries             | 840          |
| Rent                         | 400          |
| Interest                     | 50           |
| Divident                     | 100          |
| Mixed Income                 | 150          |
| Undistributed profit         | 40           |
| Social Security contribution | 25           |
| Corporate tax                | 20           |
| Personal tax                 | 100          |
| Transfer Payment             | 75           |
| NFIA                         | 150          |
| Depreciation                 | 1000         |
| Net indirect taxes           | 825          |

Answer the following question:

- a. Calculate NDP at FC & GDP at MP
- b. Calculate GNP at MP & GNP at FC