

**CARMEL COLLEGE OF ARTS, SCIENCE AND COMMERCE FOR WOMEN,
NUVEM-GOA**

SEMESTER END EXAMINATION, NOVEMBER-DECEMBER 2022

Semester: III B.A

Subject: Economics (DSC)

Course Name/Code: Macroeconomics-I / ECC 103

Total Marks :80

Date: 19/11/2022 Duration: 2 hrs

Total No of Pages :02

- Instructions: 1. All questions are compulsory; however internal choice is available
2. Answer sub-questions 1 & 2 in not more than 100 words
3. Answer question 3 to 6 in not more than 400 words.
4. Figures to the right indicate marks
5. Use of calculator is permitted

1. Answer any FOUR of the following.

(4x4=16)

- Highlight the main macroeconomic issues.
- Distinguish between real and nominal GDP.
- Elaborate on NNP at factor cost and on per capita income.
- Explain the concepts of inflationary and recessionary gaps.
- What are the factors that can increase the MPC?
- Summarize the factors affecting investment.

2. Answer any FOUR of the following.

(4x4= 16)

- Explain the concept of autonomous expenditure.
- Outline the role of government expenditure and taxes in times of recession.
- State the meaning and importance of Balance of Payments Accounts.
- What do you understand by monetary policy? State its types.
- Distinguish between money and near money.
- List the measures of money supply in India.

3. A. Discuss the limitations of national income data.

(12)

OR

3. B. Explain the product method of measuring national income

(12)

4. A. If Government increases its autonomous expenditure by 30000 crores,
i) Explain the multiplier process with MPC of 0.6.
ii) Calculate the size of the multiplier
iii) Calculate the final increase in aggregate income. (12)

OR

4. B. Using figure, explain the effect of increase in autonomous expenditure on equilibrium GDP. (12)

5. A. Explain the link between income and net exports. (12)

OR

5. B. Explain the components of BOP accounts. (12)

6. A. Illustrate the process of multiple credit creation by the banking system. (12)

OR

6. B. Discuss the quantity theory of money. (12)

The End