

**Subject : Macroeconomic Analysis**

Day : Monday  
Date : 03/10/2016

**S.D.E.**



Time : 3.00 P.M. TO 6.00 P.M.  
Max Marks : 80 Total Pages : 3

**N.B.**

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Answers to both the sections should be written in the **SAME** answer book.

**SECTION – I**

- Q.1** Answer any **TWO** of the following: **(16)**
- a) Explain the four sector model of circular flow of income.
  - b) State the methods of National Income Accounting.
  - c) State the relative income hypothesis.
  - d) Explain the RBI's approach of money supply.
- Q.2** Write short notes on any **FOUR** of the following: **(16)**
- a) Two Sector Circular Flow of Income
  - b) Input-Output Accounting
  - c) Income-Consumption Relationship
  - d) Accelerator
  - e) Money Multiplier
  - f) Deficit Budget

**SECTION – II**

- Q.3** Answer any **TWO** of the following: **(16)**
- a) Explain the Liquidity Preference Theory of Interest.
  - b) State the Neo-classical view on interest.
  - c) Write Baumol's approach of demand for money.
  - d) State the policies of inflation control.
- Q.4** Answer any **TWO** of the following: **(16)**
- a) State the Cambridge Quantity Theory of Money.
  - b) Explain the IS-LM Model of labour market and flexible prices.
  - c) Explain the post Keynesian approach of demand for money.
  - d) State the Salow's natural unemployment rate model.
- Q.5** Write short notes on any **FOUR** of the following: **(16)**
- a) Fishers Equation
  - b) Relative Effectiveness of Monetary Policy
  - c) Long-run Philips Curve
  - d) Patinkin's Real Balance Approach
  - e) Monetary Policy
  - f) Tobin's Modified Philips Curve

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