Enrollment No: _____ Exam Seat No: _____ C. U. SHAH UNIVERSITY Winter Examination-2021

Subject Name: Macro Economics – I

Subject Code: 4CO03MEC1			Branch: B.Com (English)		
Semest	er: 3	Date: 13/12/2021 Tin	me: 02:30 To 05:30	Marks: 70	
(2) (3)	Use o Instru Draw	of Programmable calculator & any other end actions written on main answer book are s reat diagrams and figures (if necessary) a me suitable data if needed.	trictly to be obeyed.	ibited.	
Q-1	a)	Attempt the following questions: The great recession was started in which		(14) 1	
	b)	In which country Fisher 's Quantity theor	1911(D) 1949ry of money become more pC) America(D) Germa	1	
	c)	In exchange of bills, Government Board bank give?	s and Promissory Notes what	at does 1	
	d)	In which year 'Bank of Bombay' was esta	C) Debenture (D) Divid ablished? (C) 1840 (D) 1913	lend 1	
	e)	Which types of assets are risky for the ba(A) Performing assets(B) not	nks? n-performing assets	1	
	f)	f) If commercial banks create unlimited, then(A) economic development becomes rapid (B) inflation		1	
	g)		(D) establish economic sta erica? Reserve Bank of USA Main Bank of USA	bility 1	
	h)	From when the minimum reserve system		1	
	i)	Which of the following tool is included in control?(A) rationing of Credit(B)	, , , , , , , , , , , , , , , , , , , ,	dit 1	
	j)	The propensity of the people to keep cash		1	



	k)	(C) Capital preference (D) Money preference What should be deducted from the income from the additional capital resources to obtain marginal efficiency of capital?	1			
		(A) Capital Cost (B) Sales Cost				
		(C) Maintenance Cost (D) Production Cost				
	l)	MPC =	1			
	,	(A)Marginal Propensity to Consume (B)Aggregate Propensity to consume				
		(C) Average Propensity to Consume (D) None				
	m)) Legal tender supply is known by which sign?				
	,	(A) V (B) M (C) V1 (D) M1				
	n)	How many are the basic and main functions of money?	1			
		(A) Two (B) Four (C) Three (D) Five				
Attempt any four questions from Q-2 to Q-8						
Q-2		Attempt all questions	(14)			
× -	(A)	Explain meaning and factors of affecting effective demand.				
	(B)	Define meaning and types of loan.				
Q-3		(
C		Describe average and marginal propensity to consume.	. ,			
Q-4		Attempt all questions (1				
	(A)	Define meaning and characteristics of Money.				
	(B)	State meaning and importance of Banks.				
Q-5		Attempt all questions (1				
	(A)	Short note: Fisher's equation				
	(B)	Explain types of loans from the point of view of duration of time.				
Q-6		Attempt all questions				
	(A)	Define conditions of credit creation.				
	(B)	Define meaning and subsidiary function of Commercial bank.				
Q-7		Attempt all questions	(14) 7			
	(A)	Describe recommendation of Narsinham Committee.				
0.0	(B)	Explain meaning and methods of credit creation.	7			
Q-8		Explain functions of CORE banking.	(14)			
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