**B. COM (SEM – 3)**

**PRINCIPLES OF PRINCIPLES OF MACRO ECONOMICS**

[Time – 2.5 Hours] [Total Marks – 70]

**Instructions –**

**[1] All the questions carry equal marks.**

**[2] Questions are to be attempted as per the internal choice given.**

1] [A] What is money? Explain the main functions of money.**[10]**

[B] Explain the changing relative importance of basic components

Of supply of money in India.**[10]**

**OR**

[1] Explain the quantity theory of money by Prof. Irving Fisher. **[20]**

[2] Explain the secondary function of commercial banks.**[20]**

**OR**

[2] [A] Explain the function of Reserve Bank of India [RBI]**[10]**

[B] Explain the tools of quantitative credit control of RBI **[10]**

[3] Explain the aggregate demand of theory of Keynes.**[15]**

**OR**

[3] [A] Explain the average and marginal prosperity to saving.**[8]**

[B] Explain the affecting factors of propensity to consume. **[7]**

[4] Explain the employment theory of Keynes.

**OR**

[4] [A] Explain the concept of marginal efficiency of capital.**[8]**

[B] Explain the theory of multiplier. **[7]**

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