

**QUESTION BANK**  
**DEPARTMENT OF ECONOMICS, NAYAGARH AUTONOMOUS**  
**COLLEGE, NAYAGARH**

+3 2<sup>ND</sup> YEAR ARTS (1st SEMESTER)  
MACROECONOMICS-II  
CC-09  
GROUP-A

1. What is share?
2. What is debenture?
3. What is money market?
4. What is call money market?
5. What is treasury bill market?
6. What is commercial bill market?
7. What is capital market?
8. What is NBFIs?
9. What is Gilt-edged security?
10. What is schedule bank?
11. Write short note on RBI?
12. Write short note on RRB?
13. Write short note on Nationalised bank?
14. Write short note on SEBI?
15. What is IRDA?
16. What is adverse selection?
17. What is moral hazard?
18. What is hedging?
19. What is non-performing assets?
20. What is current account of BOP?
21. What is capital account of BOP?
22. What is balance of trade?
23. What is devaluation?
24. What is depreciation?
25. What is foreign exchange market?
26. What is exchange rate?
27. What is fixed exchange rate?
28. What is flexible exchange rate?
29. Define small economy?
30. What is nominal exchange rate?
31. What is real exchange rate?
32. Define trade deficit?
33. Define trade surplus?
34. Define trade balance?
35. Define large open economy?
36. Define warranted growth rate?
37. Define actual growth rate?
38. Define natural growth rate?

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39. What is steady state growth?
40. What is Razor's edge equilibrium?
41. State the assumptions of Harrod Model?
42. State the similarities of Harrod and Domar model?
43. What is golden age?
44. What is golden rule level of capital accumulation?
45. What is Hicks technological neutrality?
46. What is Harrod's technological neutrality?
47. What is aggregate demand?
48. What is aggregate supply curve?
49. What is GDP gap?
50. What is inflationary gap?
51. What is recessionary gap?
52. What is the shape of long run aggregate supply curve?
53. What is fine tuning?
54. Define fiscal policy?
55. State the objectives of fiscal policy?
56. What are the instruments of fiscal policy?
57. What is deficit financing?
58. What is balance budget multiplier?
59. What is monetary policy?
60. State the objectives of monetary policy?
61. What are the instruments of monetary policy?
62. What is bank rate?
63. What is open market operation?
64. What is SLR?
65. Define velocity of money?
66. State Fisher's equation of QTM?

### GROUP-B

Each question carries 12 marks

1. What is meant by financial market? Explain its functions?
2. Explain the features of Indian financial system?
3. Explain the measures undertaken by Govt. of India since 1991 to reform banking sector?
4. Explain the impact of the reforms on the banking sector?
5. State the impact of Global financial crisis?
6. Explain the policy responses of the RBI to tackle the financial crisis?
7. Analyse the causes of adverse BOP. How is it corrected?
8. Balance of payment always balances. Explain it?
9. Define BOP. Explain the various methods to correct adverse BOP?
10. Critically examine purchasing power parity theory?
11. Explain Mondel-Fleming model with changing price level?

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12. Explain the short-run model of a large open economy?
13. Distinguish between fixed and flexible exchange rate? State their merits and demerits?
14. Critically examine the Harrod-Domar model of growth?
15. Critically examine the Solow model of growth?
16. Critically examine the Robinson's model of growth?
17. Critically examine the AK model of growth?
18. What are the objectives and instruments of fiscal policy?
19. Explain how budget is an instrument of economic policy?
20. What is meant by monetary policy? What are its objectives?
21. Explain the instruments of monetary policy used by the central bank?
22. Explain the process of monetary transmission mechanism?
23. Explain classical theory of full employment equilibrium?
24. On what ground Keynes differs with classical? Elaborate?
25. Explain Keynes basic model of under employment equilibrium?
26. Explain neo classical views on macroeconomics. How is it different from earlier schools of thought?
27. Critically examine the quantity theory of money?
28. Explain the main propositions of Friedman's reformulated quantity theory of Money?