

**SHIVAJI COLLEGE, UNIVERSITY OF DELHI**  
**DEPARTMENT OF ECONOMICS**  
**TEST (Academic Year 2023 – 2024)**

Name of the Course : B.A. (Program) Semester : 2  
Name of the Paper : Principles of Macroeconomics Faculty Name : Rahul  
Maximum Marks : 12

*Attempt all questions.*

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**Ques 1)** If expected rate of inflation is 6%, calculate the real rate of return on a 1 year bond of face value of Rs 300, available for purchase at Rs 250

**(5 marks)**

**Ques2)** State difference between Classical and Keynesian theory.

**(2 marks)**

**Ques3)** How can national savings, private savings & government savings be calculated? What will happen if government deficit increases?

**(5 marks)**

