

Note: -All questions are compulsory

Q1) A) State whether the following statements are True or False. (Any 8) (08)

- 1) There are no effects of Inflation.
- 2) The money multiplier is measured as $MM=1+ V$.
- 3) Free float exchange rate also called Clean Float.
- 4) $GDP=GNI+ \text{Net factor income from abroad}$.
- 5) Monetary Policy aims economic growth.
- 6) Free trade leads to increase in price.
- 7) Micro economics is study of the economy as whole.
- 8) Macro Economy deals with external part of Economy.
- 9) During inflation value for money falls.
- 10) National Income is a flow concept.

B) Match the column:- (Any 7) (07)

- | A | B |
|-------------------------|---------------------------|
| 1) Net National Product | a) Cash Reserve Ratio |
| 2) Closed Economy | b) Inflation |
| 3) Imports | c) Apex Bank |
| 4) Inflation | d) 1999 |
| 5) Recession | e) Bank Money |
| 6) Demand Deposits | f) GNP-Depreciation |
| 7) FEMA | g) Self-Reliance |
| 8) RBI | h) Leakages |
| 9) Deficit Financing | i) fall in value of money |
| 10) CCR | j) Cyclical |

Q2)A) Analyse the civenlar Flow of Economy. (08)

B) Discuss the factors of consumption function. (07)

OR

- Q2) C) State the various phases of Trade Cycle (08)
D) Discuss the need for green GDP. (07)

- Q3) A) What are the various factors of total money supply? Explain Briefly. (08)
B) Examine the Liquidity Preference Theory Of Interest. (07)

OR

- Q3) C) Distinguish between Traditional and Modern concepts of Money Supply. (08)
D) Enumerate the effects of Inflation. (07)

- Q4) A) Discuss the principles of sound Finance. (08)
B) State the objectives of Fiscal Policy. (07)

OR

- Q4) C) Classify Public Debt briefly. (08)
B) Explain the various canons of Taxation. (07)

- Q5) A) Explain the Rule and benefits of Foreign Direct Investment. (15)

OR

- Q5) Short notes:- (Any 3) (15)

- 1) Liquidity Trap
- 2) Flexible Exchange Rate
- 3) Investment function
- 4) Capital Account Balance
- 5) Public expenditure

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