

- Instruction :** 1) All questions are compulsory.
2) Figures to the right indicate full marks.

- Q.1 a)** Distinguish between real and nominal GNP ? Also explain GNP deflator. **8**
- b)** Using the following information, calculate GDP (MP) and NNP (MP) **7**
(All figures in Rs. crores)
GDP (FC) = 60000
subsidies = 3000
indirect taxes = 2000
Net income from
abroad = 2000
Depreciation = 10000
- OR**
- Q.1 a)** Describe goods market equilibrium ? **8**
- b)** Discuss the determinants of money supply. **7**
- Q.2** What is velocity of circulation of money ? Discuss the factors which determine the velocity of circulation of money. **15**
- OR**
- Q.2 a)** Explain in detail the objectives of monetary policy. **8**
- b)** Describe the process of multiple credit creation by the commercial banks. **7**
- Q.3** What do you mean by public expenditure ? Discuss the causes of increasing public expenditure these days. **15**
- OR**
- Q.3 a)** What is the role of financial system in economic development ? **8**
- b)** Explain the core functions of a Central bank. **7**
- Q.4** What do you mean by Balance of Payment ? What are the causes of disequilibrium in BOP ? **15**
- OR**
- Q.4** Write short notes on any three of the following : **15**
- i) Sources of public revenue
 - ii) Features of national income
 - iii) Financial intermediaries in India.
 - iv) Determinants of money supply.
 - v) New issue ratio.