

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

**Q.1 Write Short Notes : ( Any 3)**

(15)

1. Gross National Product (GNP)
2. Gross Domestic Product at mkt. prices
3. Personal Saving
4. The Expenditure Method
5. Three Sector Model

**OR**

- Q.1 A.** What are the features of expansionary & recessionary trade cycle? (7)  
**B.** What are the factors determining effective demand? (with diagrammatical explanation) (8)

- Q.2 A.** What is concept of money supply & its constituents? (7)  
**B.** What are the determinants of money supply? (8)

**OR**

- A.** What is credit creation & its limitations? (7)  
**B.** Write down the functions of Central Bank? (8)

- Q.3 A.** What are the qualitative instruments of monetary policy? (7)  
**B.** What are limitations of monetary policy? (8)

**OR**

- Q.3** Write down the types of inflation. (15)

- Q.4 A.** What is public expenditure & causes of increase in public expenditure? (7)  
**B.** Define the following. (With diagram) (8)  
1. The IS Curve  
2. The LM Curve

**OR**

- Q.4 A.** What is meant by disequilibrium in balance of payment ? & Write down its types. (7)  
**B.** What are the functions of Foreign Exchange market? (8)