

SY / A / F

CODE : BISMUTH

Time : 2 Hrs.

ECO - II

15/10/08

Marks : 60

Instructions : 1] Attempt all questions .

2] Figures to the right indicate full marks.

- Q.1 Explain the following briefly 15
- I) Value Added method of estimating National Income
 - II) Real V/s Nominal G N P
 - III) National Income Deflator

OR

- Q.1 a) Explain the features of National Income 07
- b) Examine the impact of monetary policy on the rate of interest and National Income 08
- Q.2 a) What is velocity of circulation of money? 05
- b) On what factors velocity of circulation depend? 10

OR

- Q.2 a) What is a central Bank? What are its core functions? 08
- b) Explain the role of financial system in economic development of a country 07
- Q.3 Discuss the objectives of monetary policy. Is there any conflict between different objectives of monetary policy? 15

OR

- Q.3 Explain the functions and classification of financial market? 15
- Q.4 a) Discuss the causes of disequilibrium of balance of payments. 10
- b) Discuss the use of devaluation for correcting the disequilibrium in BOP. 05

OR

- Q.4 Write short notes on any three 15
- i) Factors affecting money supply
 - ii) Multiple credit creation by commercial banks
 - iii) Sources of public revenue.
 - iv) Business cycles.
 - v) Types of public debt.