

- N.B.** 1) **All 4 questions are compulsory.**  
 2) **Figure to the right indicate marks**
- Q.1)** a) Explain the circular flow of national income in a open economy **8**  
 b) Calculates GDP NNP at market price and NNP at factor cost from the following data. **7**  
 GNP = Rs. 5000 cr.  
 NFI = Rs. 350 cr.  
 Depreciation = Rs. 200 cr  
 Indirect taxes = Rs. 100 cr.  
 Subsidies = Rs. 80 cr.
- OR**
- Q.1)** a) Describe the deferent concept of national income. **8**  
 b) What is National income deflator what os its use. **7**
- Q.2)** What do you mean by disequilibrium in balance of payment ? Suggest some measures to correct it **15**
- OR**
- Q.2)** a) What are the objectives of monetary policy in developing countries. **8**  
 b) 'Protection in international trade and under developed countries' comment. **7**
- Q.3)** a) What is foreign exchange market ? Why is it needed ? **7**  
 b) Discuss the foreign exchange rats determination in foreign exchange market. **8**
- OR**
- Q.3.)** Discuss the role of WTO in developing countries. **15**
- Q.4)** Explain in detail the gains and problems of the globalization . What are the challenges arising out of globalization ? **15**
- OR**
- Q.4) Write short notes (on any three)** **15**  
 a) FDI  
 b) Business cycles  
 c) SAARC  
 d) NAFTA  
 e) Floating exchange rate.
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