N.B. 1. All questions are compulsory.
2. Figures to the right indicate full marks.

Q.1 A) Fill in the blanks. **(8)**

1. National income is a .... concept. (Fixed/ Flow)
2. IS curve explains .... market equilibrium. (Goods/ Money)
3. During inflation value of money .... (Rises/ Falls)
4. .... is the highest point of trade cycle. (Boom/ Trough)
5. Precautionary motive for holding cash is depends on ....(Income/ Rate of interest)
6. Margin requirement is a ....instrument to control money supply. (Quantitative/ Qualitative)
7. Primary Deficit = ... – Interest payment. (Revenue deficit/ Fiscal deficit)
8. Administrative expenditure is an example of .... expenditure. (Revenue/ Capital)

B) Match the pairs. **(7)**

Group A	Group B
1. Households	A. Fines & penalties
2. Closed economy	B. Annual financial statement
3. Monetary policy	C. Pension
4. Social expenditure	D. Store value
5. Non- tax revenue	E. Factors of production
6. Budget	F. Absence of foreign trade
7. Money	G. Economic growth
	H. Infrastructure

Q.2 a) Explain the types of public debt in India. **(8)**
b) Discuss the constituents of money supply. **(7)**

OR

Q. 2 a) Examine the Keynesian approach of demand for money. **(8)**
b) Explain the components of union budget. **(7)**

Q.3 a) Describe the three sector circular flow of national income. **(8)**
b) What are factors affecting velocity of circulation of money. **(7)**

OR

Q.3 a) Discuss the various phases of trade cycle. **(8)**
b) Explain the concepts of measuring national income. **(7)**

Q.4 a) How LM curve is derived? **(8)**
b) Discuss the quantitative methods of credit control of monetary policy. **(7)**

OR

Q.4a) Explain the sources of public revenue in India. **(8)**
b) What are the objectives of fiscal policy? **(7)**

Q.5 Write short notes on. (Any 3) **(15)**

1. National income at factor cost
2. Types of inflation
3. Types of deficits in Budget
4. Functions of money
5. Types of public expenditure

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