



THE ANSWERS MUST BE ATTEMPTED ON THE ANSWER SHEET PROVIDED

Q.1. Answer the following short questions.

(6x5=30)

1. Explain different phases of the business cycles. What changes may occur in macroeconomic indicators over the course of business cycles.
2. What is per capita income? How the concept of per capita income be used to assess the living standards of people in a country?
3. Differentiate between nominal and real GDP.
4. Discuss different problems in computation of national income.
5. What are the different sources of public revenue?
6. What is inflation? Briefly discuss its various types.

Q.2. Answer the following questions.

(3x10=30)

1. Discuss the concept of national income. Explain the measurement of national income through Product, Income and Expenditure approaches.
2. What is money? Describe its various forms? What functions does money perform in an economy?
3. What is meant by fiscal policy? Discuss major heads of public expenditures.