**The LNM Institute of Information Technology (Deemed University)**

End Term Exam (2012-2016)

Economics-I: Macro Economics

**Roll No. ------------------- Date –** 27/10/2013

**Max. Marks –** 50 **Time** – 3 hours

**Instructions –**

1. Write precise and to the point answers in the legible handwriting.
2. Give examples wherever necessary
3. Explain the following – (any *five*) (2x5=10)
4. Real GDP and nominal GDP
5. Micro economics and macro economics
6. Fixed exchange rate and flexible exchange rate
7. Plan and non-plan expenditure
8. Depreciation and devaluation.
9. Consumer price index and wholesale price index
10. Advance estimates, quick estimates, provisional estimates and final estimates
11. Creditors classification of external debt of India
12. FRBM act
13. Major exports and imports of India
14. What are the major macroeconomic issues which makes the subject matter of macroeconomics? (10)

**OR**

Explain what will happen when there is an increase in foreign investment in a country? To answer rearrange the following variables and build a linkage among them - fall in exports, Central bank buying foreign currency, tight monetary policy, currency appreciation, rise in money supply and Inflation, and rise in interest rates.

1. What are the monetary and fiscal measures to control inflation? Explain how these measures work to control inflation? (10)
2. Discuss the sources of public revenue? What is the basis of differentiating revenue receipts and capital receipts? (10)
3. Explain the current account and capital account transactions and their implications on the balance of payments of a country. (10)