

# Sharma Education Point

Ph. 9810877918, Website: www.sharmaeducationpoint.com

---

---

## {Super 25 for Macro Economics}

### Unit-5 (Marks-10)

1. Distinguish between:
  - (a) Real GDP and Nominal GDP
  - (b) Intermediate goods and final goods
  - (c) Stock and flow
  - (d) Factor Income and Transfer income
  - (e) Injection and leakages
2. Explain the components of the followings
  - (a) NFIA
  - (b) Domestic factor income
  - (c) Gross Capital Formation
3. What is double counting? Explain any two methods to avoid it.
4. Explain the limitations of GDP as economic welfare.
5. Explain the steps and precautions for measuring national income by Income and Expenditure method.

### Unit-6 (Marks-6)

6. Define barter system and explain its drawbacks.
7. How money has overcome the problems of barter system.
8. Explain the component and measurement of money supply in India.
9. Explain the process of money creation by commercial banks.
10. Explain the functions of central bank.
11. Explain the different instruments used by RBI to control money creation in India.

### Unit-7 (Marks-12)

12. Explain the components of aggregate demand and aggregate supply.
13. Define propensity to consume and explain APC and MPC.
14. What is investment multiplier. How it is related with MPC and MPS?
14. Explain the working process of investment multiplier using an imaginary schedule.
14. Distinguish between deficient demand and excess demand.
15. What is deflationary gap? Explain four measures to correct it by monetary method.
16. What is inflationary gap? Explain four measures to correct it by fiscal method.

### Unit-8 (Marks-6)

17. Define government budget. Explain its objectives.
18. Distinguish between :
  - (a) Revenue Receipts and Capital Receipts
  - (b) Revenue Expenditure and Capital Expenditure
  - (c) Direct tax and Indirect Tax
  - (d) Progressive tax and Regressive Tax
19. Define revenue deficit. Explain its implications.
20. Define fiscal deficit. Explain its implications.

### Unit-9 (Marks-6)

21. What is foreign exchange rate? How it is determined?
22. Distinguish between fixed and flexible exchange rate.
23. Distinguish between BoT and BoP.
24. Distinguish between autonomous items and accommodating items of BOP.
25. Write the 4 sources of each of demand for foreign exchange and supply of foreign exchange.