LOYOLA COLLEGE (AUTONOMOUS), CHENNAI - 600 034



B.A.DEGREE EXAMINATION – **ECONOMICS**

FIFTH SEMESTER - NOVEMBER 2018

16UEC5MC03/ EC 5506 - MONEY AND BANKING

Time: 09:00-12:00

PART-A

Answer any FIVE questions in not exceeding 75 words each: (5x4=20 marks)

- 1. Briefly explain the characteristics of Money.
- 2. Differentiate between Money and Near Money.
- 3. What do you mean by Index Number?
- 4. Write a note on Classical Dichotomy.
- 5. What do you mean by Neutrality of Money?
- 6. Define a Commercial Bank.
- 7. What is a Stock Exchange?

PART-B

Answer any FOUR questions in not exceeding 250 words each: (4x10=40 marks)

- 8. Explain the functions of Money.
- 9. Explain the role of money in the Modern Economy.
- 10. Enumerate the problems involved in the construction of Index Numbers.
- 11. Explain how far Cash Balance approach is superior to the Cash Transaction approach.
- 12. Briefly explain the functions of a Central Bank.
- 13. Bring out the Merits and Demerits of Branch Banking
- 14. Explain the defects of Capital Market in India.

PART-C

Answer any TWO questions in not exceeding 900 words each: (2x20=40 marks)

- 15. Enumerate the Steps and Methods of measuring Price Index Numbers.
- 16. Discuss the Cambridge Cash Balance Approach to the Quantity Theory of Money.
- 17. Explain the significance and operation of Selective Credit Control methods employed by the RBI.
- 18. Explain the various Constituents of Indian Money Market.
