# LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

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

### FIFTH SEMESTER – NOVEMBER 2019

EC 5502/EC 5506/18/17/16UEC5MC03 - MONEY AND BANKING

Date: 02-11-2019 Dept. No. Time: 09:00-12:00 PART-A Answer any FIVE questions in about 75 words each: 1. List out the different kinds of money. 2. Write a short note on demand for money. 3. Explain the Fisher's equation of exchange. 4. State the Pigou's equation of the cash balance approach. 5. What are the instruments of credit control? 6. Mention the types of securities.

7. Distinguish between primary and secondary markets.

## PART-B

#### Answer any FOUR questions in about 300 words each:

8. Briefly explain the role of money in the modern economy.

- 9. Enumerate the various methods of measuring price index number.
- 10. Explain the Keynes integration of theories of value and money.
- 11. Explain the saving and investment approach to theories of money.
- 12. Examine the performance of commercial banks after nationalization in India.
- 13. Evaluate the characteristics of money market in India.
- 14. Elucidate the Indian capital market.

#### PART-C

#### Answer any TWO questions in about 900 words each:

- 15. Discuss about the functions of money.
- 16. Define money supply. Analyse the determinants and various measures of the money supply in India.
- 17. Compare Fisher's version with Cambridge version of the quantity theory of money. Which one do you prefer and why?
- 18. Describe the traditional and promotional functions of the central bank.

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 $(2 \times 20 = 40 \text{ Marks})$ 

 $(4 \times 10 = 40 \text{ Marks})$ 

 $(5 \times 4 = 20 \text{ Marks})$ 

Max.: 100 Marks