

**STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86**  
**(For Candidates admitted during the academic year 2011-12& thereafter)**

**SUBJECT CODE: 11EC/MC/MO34**

**B.A. DEGREE EXAMINATION NOVEMBER 2013**  
**BRANCH IV – ECONOMICS**  
**THIRD SEMESTER**

**COURSE : MAJOR – CORE**  
**PAPER : MONETARY ECONOMICS**  
**TIME : 3 HOURS**

**MAX.MARKS : 100**

**SECTION A**

**I. Answer All the Questions in 50 words each. (10x2=20)**

1. Discuss the defects of Barter system
2. What is the classical definition of money?
3. State Gresham's Law.
4. How does the Note Issue system work?
5. What is the Money multiplier?
6. Write a note on RBI money stock.
7. Differentiate between Mono-metallism and Bi-metallism.
8. What is the basic feature of Tobin's theory of demand for money?
9. What are the objectives of Monetary Policy?
10. What are the Secondary function of money?

**SECTION B**

**II. Answer any FIVE Questions in 300 words each. (5x8=40)**

11. What are the functions of money?
12. Discuss the various definitions of money.
13. Explain the Gold Standard.
14. Elucidate the Cash Transaction version of Quantity theory.
15. Explain Baumol's Inventory theoretic approach to the demand for money.
16. What are the instruments of monetary policy in India?
17. Discuss the role of RBI in times of financial crisis.

**SECTION C**

**III. Answer any TWO Questions in 1200 words each. (2x20=40)**

18. Elucidate the determinants of demand for and supply of money.
19. Explain Friedman's Restatement of the Quantity Theory of Money.
20. Discuss the role and drawbacks of monetary policy.
21. Explain the different types of money.

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