#### STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86 (For candidates admitted from the academic year 2015 – 2016 and thereafter) SUBJECT CODE: 15EC/MC/MO45

#### B. A. DEGREE EXAMINATION, APRIL 2018 BRANCH IV - ECONOMICS FOURTH SEMESTER

COURSE : MAJOR CORE

PAPER : MONETARY ECONOMICS - II

TIME : 3 HOURS

**MAX. MARKS : 100** 

# SECTION – A

# ANSWER ANY TEN QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS.

(10 X 2= 20)

- 1. Define money market.
- 2. What is meant by call money market?
- 3. What is Gilt-edged market?
- 4. Write a short note on OTCEI.
- 5. Why the commercial bank was nationalized in India?
- 6. Define Commercial Bank.
- 7. Define Mutual funds.
- 8. What are the functions of NBFI's in India?
- 9. State any four recommendations of Narasimham Committee report on NBFI's reforms.
- 10. What is meant by interest rate?
- 11. What are the major targets of monetary policy in India?
- 12. State the policy lags in monetary policy.

# SECTION – B

#### ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 400 WORDS.

(5 X 8 = 40)

- 13. Briefly explain the instruments of money market.
- 14. Bring out the functions of capital market.
- 15. Explain the credit creation process of the commercial bank.
- 16. Briefly explain the growth of NBFI's in India.
- 17. Explain the various functions of central bank in India.
- 18. Comment on the impacts of recent financial reforms in India.
- 19. Bring out the various objectives of monetary policy.
- 20. Explain the different instruments of monetary policy in India.

# SECTION – C

# ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1000 WORDS.

(2 X 20 = 40)

- 21. Discuss the role of money and capital market in developing economics.
- 22. Analyze the justification for nationalization of commercial banks in India.
- 23. Explain the Gurley and Shaw theory in detail.
- 24. Examine the suggestions of Narasimham Committee Report on Banking Reforms in India.

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