

**(FOR THE CANDIDATES ADMITTED
DURING THE ACADEMIC YEAR 2020 ONLY)**

20UEO509

REG.NO. :

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI

END-OF-SEMESTER EXAMINATIONS: DECEMBER-2022

COURSE NAME : B.A.-ECONOMICS

MAXIMUM MARKS: 70

SEMESTER: V

TIME: 3 HOURS

PART - III

MONETARY ECONOMICS

SECTION – A

(10 X 1 = 10 Marks)

ANSWER THE FOLLOWING QUESTIONS.

MULTIPLE CHOICE QUESTIONS.

K1

1. Who said “Money is what money does”?
 - (a) Hawtrey
 - (b) Thomas
 - (c) Walker
 - (d) Keynes
2. Who first abandoned the gold standard?
 - (a) Britain
 - (b) India
 - (c) USA
 - (d) China
3. Which of the following is Fisher’s transaction equation?
 - (a) $V = I/P$
 - (b) $MV = PT$
 - (c) $ER = TR - RR$
 - (d) $MV + TP$
4. When both prices and money income fall, the situation is called?
 - (a) Inflation
 - (b) Deflation
 - (c) Stagflation
 - (d) Recession
5. The primary function of commercial bank is?
 - (a) Advancing Loans
 - (b) Accepting Deposits
 - (c) Credit Creation
 - (d) All of these

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES. K2

6. Define ‘money’.
7. State the features of gold currency standard.
8. What is meant by value of money?
9. Define the term inflation.
10. What do you mean by trade cycle?

SECTION – B (5 X 4 = 20 Marks)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. K3

11. (a) Write the nature of money.
 (OR)
 (b) What are the difficulties of barter system?
12. (a) What are the features of paper standard?
 (OR)
 (b) What are the methods of note issue?
13. (a) State the uses of index numbers.
 (OR)
 (b) Write the three motives of demand for money.

14. (a) Point out the causes of deflation.
(OR)
(b) Mention the stages of trade cycle.

15. (a) What are the objectives of monetary policy?
(OR)
(b) Write the functions of RBI.

SECTION - C **(4 X 10 = 40 MARKS)**

ANSWER ANY FOUR OUT OF SIX QUESTIONS .

**(16th QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS
(FROM Qn. No : 17 to 21) **(K4 (Or) K5)****

16. Explore the essay on the functions of money.
17. What are the essential conditions for the successful working of the gold standard?
18. Examine the determinants of money supply.
19. Describe the Cambridge version of quantity theory of money.
20. Enumerate the consequences of inflation.
21. Discuss the role of commercial banks in economic development.
