B.A./B.Sc. (Hons.) 5th Semester (2123)

ECONOMICS

Paper—I (Money and Banking)

Time Allowed: Three Hours] [Maximum Marks: 90

Note: — Attempt five questions in all including Question No. 1 which is compulsory and selecting one question from each unit.

- I. Attempt any **nine** of the following:
 - (1) Make a distinction between money and near money assets.
 - (2) Components of money supply.
 - (3) Liquidity Trap.
 - (4) Transaction Demand for Money.
 - (5) Bank Rate and Open Market Operations—which of the two is more effective?
 - (6) Function of Central Bank.
 - (7) SDR.
 - (8) Functions of Asian Development Bank.
 - (9) Reverse Repo Rate.

- (10) SLR.
- (11) Money Multiplier.
- (12) Non-performing Assets.

 $9 \times 2 = 18$

UNIT-I

- II. What is supply of money? What are its components? Explain the factors that bring changes in money supply.
- III. How does High Powered Money affect the money supply?

 Discuss.

UNIT-II

- IV. Discuss the significances of Central Bank in developing economy.
- V. Discuss the view that classical quantity theory is valid only after full employment.

UNIT-III

- VI. Give an account of new trends in modern Commercial Banking.
- VII. Differentiate between Commercial Banking and NBFI's. Discuss various functions performed by NBFI's. 5+13=18

UNIT-IV

VIII. Discuss various objectives of IMF. What are various credit facilities of IMF? Discuss successes and failures of IMF.

5+6+7=18

IX. What is World Bank? Critically discuss the role of World Bank.

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