**SAINTGITS COLLEGE OF APPLIED SCIENCES**

**Second Internal Assessment Examination, MARCH 2019**

**Department of Corporate Economics, Semester IV**

**MONETARY ECONOMICS II**

**Total : 80 marks Time: 3Hours**

**Section A**

**Answer all questions. Each question carries 2 marks.**

1. Inflation
2. Deferred payments
3. Gross investment
4. SLR
5. Liquidity preference
6. Neutrality of money
7. Liquidity trap
8. Broad money
9. Nominal wages
10. Classical economics
11. Wealth effect
12. ISLM

  **(10 X 2 = 20 marks)**

**Section B**

**Answer any 6 questions. Each question carries 5 marks**

1. What are the objectives of fiscal policy?
2. Describe classical dichotomy?
3. Explain Baumol’s contribution to quantity theory of money
4. What is NBFC? Explain its functions.
5. Explain commodity theory of money?
6. Write a note on the Keynesian quantity theory of money?
7. Explain income theory of money.
8. Differentiate bank rate and repo rate?
9. Explain post Keynesian theory of quantity theory of money. **(6 X 5 = 30 marks)**

**Section C**

**Answer any 2 question. Question carries 15 marks.**

1. Explain the Real balance effect?
2. Explain the instruments of monetary policy?
3. Critically explain the classical theory of demand for money?
4. Explain the features of Radcliff committee report and Gurley-Shaw thesis of liquidity theory?

 **(2 X 15 = 30 marks)**