**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BENGALURU - 27**

**B.Sc. (ECONOMICS) – IV SEMESTER**

**SEMESTER EXAMINATION: APRIL 2023**

**(Examination conducted in May 2023)**

**ECS 4122 – MONETARY ECONOMICS**

**(For 2022 - 23 batch students only)**

**Time: 2 Hours Max Marks: 60**

**This paper contains 1 printed page and 3 parts**

**PART - A**

**Answer any 10 questions 3 × 10 = 30**

1. What is the Cambridge constant?
2. Define money.
3. Explain the implication of the Quantity Theory of Money.
4. What are Regional Rural Banks?
5. What is meant by CRR?
6. What is M0?
7. Explain Open Market Operations.
8. What is the peculiarity of the Keynesian money supply curve?
9. Differentiate between transaction demand and speculative demand for money.
10. Differentiate between Real and Nominal GNP.
11. What are NBFCs?
12. What is Demand Pull Inflation?

**PART – B**

**Answer any 3 questions 5 × 3 = 15**

1. Explain Friedman’s restatement of QTM.
2. What are the various measures of money supply?
3. Define and describe the various forms of inflation.
4. What are the functions of commercial banks?
5. What are the Basel Norms? Explain the purpose of these norms.

**PART – C**

**Answer any 1 question 15 × 1 = 15**

1. Answer the following:
	1. Compare and contrast Fisher’s approach with the Cambridge approach. **8**
	2. What is the liquidity trap? **7**
2. What are the various monetary policy interventions available to the RBI?