

25/3/14

MN3ABM

FyFM
Macro ECo.

Time : 2 Hours

Marks : 60

Note:

1. All questions are compulsory.
2. Figure to right indicate full marks.

Q.1.

- a. What is LM curve? Explain the derivation of the LM curve. (8)
- b. Explain the functions of Central Bank. (7)

OR

- c. Explain the recommendations of Narasimham Committee 1991. (8)
- d. Describe the measure to correct disequilibrium in Balance of Payment. (7)

Q.2.

- a. Explain the trade-off between inflation and unemployment with the help of Phillips curve. (8)
- b. Explain the determinants of Velocity of Circulation of money. (7)

OR

- c. Explain the meaning and objectives of monetary policy. (8)
- d. What are the features of the Indian money market ? (7)

Q.3.

- a. Describe the Tobins Model of Portfolio Balance. (8)
- b. State the need and role of SEBI. (7)

OR

- c. Explain the merits and demerits of Multinational Companies. (8)
- d. Explain the concept of Cost Push inflation. (7)

Q.4. Write short notes on any three.

(15)

- a. Currency convertibility.
- b. Multiple credit creation.

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- c. Speculative motive of money demand.
- d. Open Market Operations.
- e. New Issue Market.