

Note: 1) All Questions are Compulsory.

2) Figures to right indicates full marks.

- Q. 1 a) Define money. State its functions. (08)
b) Outline Keynesian approach to demand for money. (07)

OR

- Q. 1 c) Derive IS curve. (08)
d) What are the limitations of credit creation process of commercial bank. (07)

- Q.2 a) Outline the functions of central bank. (08)
b) Explain the recommendations given by Narsimham Committee in 1991 for banking sector reform. (07)

OR

- Q. 2 c) Highlight the structure of Indian money market. (08)
d) State the functions of stock exchange. (07)

- Q. 3 a) Highlight the role of credit rating agencies in the capital market. (08)
b) State the advantages and disadvantages of currency convertibility. (07)

OR

- Q. 3 c) Highlight the measures to correct disequilibrium in balance of payment. (08)
d) Explain the advantages and limitations of foreign direct investment. (07)

- Q. 4 Write note on(Any THREE) (15)

- a) Constituents of money supply
b) Equilibrium in goods market and money market
c) Limitations of monetary policy
d) Commercial Bill Market
e) CRISIL
f) Determinants of foreign direct investment

