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QP Code: D141854	**Total Pages: 2**	**Name:**
		Register No.

SECOND SEMESTER (CUFYUGP) DEGREE EXAMINATION, APRIL 2026

ECONOMICS

ECO2MN102 : MONETARY POLICY AND STABILISATION

2024 Admission onwards

Maximum Time :2 Hours	**Maximum Marks :70**

Section A

All Questions can be answered. Each Question carries 3 marks(Ceiling : 24 Marks)

1	What do you mean by moral suasion?
2	Differentiate between exchange stabilization and price stabilization.
3	What do you mean by NAIRU?
4	What do you mean by bank rate policy?
5	Explain selective credit control as an instrument of monetary policy.
6	Differentiate between inflation, deflation and stagflation.
7	Point out major limitations of monetary policy.
8	Briefly explain the importance of central bank independence.
9	Distinguish between repo rate and reverse repo rate.
10	Distinguish between creeping, walking and running inflation.

Section B

All Questions can be answered. Each Question carries 6 marks (Ceiling : 36 Marks)

11	Discuss the causes of inflation.
12	What are the important quantitative tools of monetary policy?
13	Explain important measures to control inflation and deflation
14	Discuss the role of central bank in implementing monetary policy.
15	What do you mean by Statutory Liquidity Ratio? What is the significance of SLR?
16	Describe the transmission mechanism of monetary policy. How does it ensure stability?
17	Differentiate between demand pull and cost push inflation.
18	Compare monetary lags and fiscal policy lags.

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Section C	
Answer any ONE . Each Question carries 10 marks(1x10=10 Marks)	
19	What do you mean by Philips curve? Compare short-run and long-run Philips curve using suitable diagram.
20	Define monetary policy. Write a note on historical perspectives of monetary policy. Explain the objectives of monetary policy

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QP Code:D 123102	**Total Pages:2**	**Name:**
		Register No.

SECOND SEMESTER (CUFYUGP) DEGREE EXAMINATION APRIL 2025

(ECONOMICS)

ECO2MN102 : MONETARY POLICY AND STABILISATION

2024 Admission onwards

Maximum Time :2 Hours	**Maximum Marks :70**

Section A

All Questions can be answered. Each Question carries 3 marks(Ceiling : 24 Marks)

1	Define any three qualitative tools of monetary policy
2	Distinguish between CRR and SLR.
3	Define monetary policy.
4	Briefly explain the meaning and features of stagflation.
5	Distinguish between repo and reverse repo rate.
6	Explain any three objectives of monetary policy.
7	Prepare a note on central bank independence.
8	Distinguish between inflation and deflation.
9	Briefly explain inflationary gap and its implications.
10	What are the important ratios used by RBI?

Section B

All Questions can be answered. Each Question carries 6 marks(Ceiling : 36 Marks)

11	Explain short-run trade-off between inflation and unemployment.
12	What are the causes of inflation?
13	Explain the effectiveness of open market operations during inflation and deflation.
14	What are the factors affecting money income?
15	Discuss the historical perspectives of monetary policy.
16	Differentiate between exchange stabilization and price stabilization
17	How does the Central Bank ensure price stabilization using monetary policy?
18	Discuss the measures to control inflation and deflation.

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D 123102

Section C	
Answer any ONE .Each Question carries 10 marks(1x10=10 Marks)	
19	Explain lags in monetary policy. Describe measurement of monetary lags. Compare the process with that of fiscal policy lags.
20	Describe demand pull and cost push inflation using suitable examples.

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