

Q.P. Code : 60551

**First Semester M.Com. Degree Examination,
January/February 2020**

(CBCS Scheme)

Commerce

Paper 1.1 — MONETARY SYSTEM

Time : 3 Hours]

[Max. Marks : 70

*Instructions to Candidates : Answers **ALL** Sections.*

SECTION - A

1. Answer any **SEVEN** sub-questions. Each sub-question carries **2** marks : **(7 × 2 = 14)**
- (a) What is meant by intrinsic value of Bond?
 - (b) What is Bull dog Bond?
 - (c) What is put-call parity principle?
 - (d) When will be foreign currency at premium?
 - (e) What is proportional Reserve system of Note issue?
 - (f) What is crawling peg?
 - (g) What is Trade Deficit?
 - (h) What is meant by Mark-to-Market?
 - (i) What is Fixed exchange rate?
 - (j) What is the difference between devaluation and depreciation?

SECTION - B

Answer any **FOUR** questions. Each question carries **5** marks : **(4 × 5 = 20)**

- 2. What is monetary system? What are the elements of monetary system?
- 3. What are the essentials of a sound currency system?

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4. What are the differences between Fixed Exchange Rate and Flexible Exchange Rate System?
5. Write a brief note on Euro Bond Market.
6. How do you value the currency forward contracts?
7. Critically examine the Keynesian theory of money.

SECTION - C

Answer any **THREE** questions. Each question carries **12** marks :

(3 × 12 = 36)

8. Explain in detail the function of money market.
9. What do you mean by the circular flow of money? Explain the circular flow of money in an economy. Use Diagram to illustrate your answer.
10. What are the strategies available to hedge the foreign currency through future contracts? Explain.
11. How do you attain the Equilibrium in Balance of payment? Explain.
12. Explain in detail the impact of demonetization on the monetary system of India.



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I Semester M.Com. Degree Examination, August - 2021

COMMERCE

Monetary System

(CBCS Scheme 2018-19)

Paper : 1.1

Time : 3 Hours

Maximum Marks : 70

Instructions to Candidates:

Answer All sections.

SECTION - A

Answer any 7 questions. Each carries 2 marks.

(7×2=14)

1. a) What do you mean by Capital account of convertibility?
- b) What is near money?
- c) What do you understand by Gresham's Law?
- d) Define Hedging.
- e) What is meant by money standard?
- f) What is settlement price?
- g) Give the meaning of Gold Bullion Standard.
- h) What is foreign trade Multiplier?
- i) Differentiate Inflation and Deflation.
- j) What do you mean by Fiat Money?

SECTION - B

Answer any 4 questions . Each question carries 5 marks.

(4×5=20)

2. What are the money market instruments? Explain in brief.
3. Briefly explain the methods of making foreign payments.
4. What is meant by Bimetallism? What are its advantages?
5. Explain the factors affecting the deficit balance of trade.
6. Explain the procedure of note issue and its type.
7. Bring out the nature and uses of SDRs.

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SECTION - C

Answer any 3 questions. Each question carries 12 marks.

(3×12=36)

8. What is Gold Standard? Explain the different types of Gold Standards. Mention the advantages and disadvantages of each gold standards.
 9. Write a brief note on following :
 - a. Macro economic variables affecting the money supply.
 - b. Bretton Woods System.
 - c. Functions of money.
 10. What do you mean by circular flow of money? Explain the circular flow of money in any economy. Use diagram to illustrate your answer.
 11. Explain in detail the concept of disequilibrium in the balance of payment. How does it arise? What are the methods available to restore such disequilibrium?
 12. Explain the recent development in Forex Markets.
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I Semester M.Com. Degree Examination, May - 2023

COMMERCE

Monetary System

(CBCS Scheme)

Paper : 1.2

Time : 3 Hours

Maximum Marks : 70

SECTION - A

Answer any Seven questions out of Ten. Each question carries 2 marks. (7×2=14)

1. a) Define value of Money.
- b) Give the meaning of Triffin's Paradox.
- c) What is Fiduciary Money?
- d) What is Forex Market?
- e) Give the meaning of Pegged Exchange Rate?
- f) What is Mono-Metallism?
- g) State any Two differences between Money and Near Money.
- h) What do you mean by Basket of Currencies?
- i) Define Bitcoin.
- j) What is Devaluation?

SECTION - B

Answer any Four questions out of Six. Each question carries 5 marks. (4×5=20)

2. Explain Euro Currency Market.
3. Explain Income theory of Money.
4. Bring out the objectives of International Monetary Fund.
5. Give the meaning of Rupee Convertibility and explain its types.

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6. Write a note on International or Global Financial systems.
7. Write a note on Principles of Note Issue.

SECTION - C

Answer any Two questions out of Four. Each question carries 12 marks. (2×12=24)

8. Explain in brief advantages and disadvantages of Flexible Exchange Rate.
9. Explain the circular flow of money in Economy. Use diagrams to illustrate your answer.
10. What is Disequilibrium? Explain the methods to Correct Disequilibrium in BOP.
11. Write a note on the following.
 - a) Depository Receipts and its Types.
 - b) International Bond Market and Different types of Bonds.

SECTION - D

(Compulsory Question)

Answer the following question.

(1×12=12)

12. Are digital payments in Banks secure enough for Indian Economy to go cashless? Explain
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I Semester M.Com. Degree Examination, April/May - 2024

COMMERCE

Monetary System

(CBCS Scheme Regular)

Paper : 1.2

Time : 3 Hours

Maximum Marks :70

SECTION - A

Answer any Seven questions out of Ten. Each question carries 2 marks. (7×2=14)

1. a) How money is a mobilizing Agent?
- b) What is Hedging?
- c) Define SDR ✕
- d) State how Keynesian theory of money is different from Friedman's.
- e) What is circular flow of money?
- f) Expand LIBOR, MIBOR, BIS and IDR.
- g) What is flexible Exchange rate?
- h) State any two components of International financial system.
- i) What do mean by Nixon Shock?
- j) Give the meaning of equilibrium of BoP. ✕

SECTION - B

Answer any Four questions out of Six. Each question carries 5 marks. (4×5=20)

2. Briefly explain Fisher's Transaction Approach. ✕
3. Enumerate the system of Note Issue in detail. ✕
4. Differentiate between Balance of payment and Balance of trade. ✕
5. Write a note on Gresham's Law. ✕

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6. Write a note on Euro Dollar Market.
7. Explain the essentials of sound currency system. *

SECTION - C

Answer any Two questions out of Four. Each question carries 12 marks. (2×12=24)

8. Explain methods of correction of disequilibrium of BoP. *
9. Describe circular flow of money with diagram. *
10. Critically evaluate Bretton Woods System. *
11. What do you mean by Gold Standard? Explain the different types of Gold Standard.

SECTION - D

Answer the following.

(1×12=12)

12. CBDCs are not poised to replace cryptocurrencies entirely but they will co-exist and impact the crypto landscape. Is CBDC a threat to cryptocurrency.
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