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B.A. (CBCS) DEGREE EXAMINATION, APRIL 2021.

Sixth Semester

Economics — Main

MONEY AND BANKING — II

(For those who joined in July 2017 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer.

1. Industrial banks provide _____ loans to industries.
(a) short term (b) long term
(c) medium term (d) very short term

2. Unit banking system is most popular in _____.
(a) America (b) England
(c) India (d) China

3. _____ deposit has no rate of interest.
- (a) Saving A/c (b) Current A/c
(c) Recurring (d) Fixed
4. How many commercial banks were nationalised on 1969?
- (a) Ten (b) Fourteen
(c) Six (d) Eight
5. _____ has the power to formulate monetary policy.
- (a) Commercial bank
(b) Central bank
(c) Co-operative bank
(d) Investment bank
6. Reserve Bank of India Act was passed in the year _____.
- (a) 1934 (b) 1935
(c) 1955 (d) 1969

7. _____ is associated with the management of money supply.
- (a) Fiscal Policy (b) Income Policy
(c) Monetary Policy (d) Price Policy
8. Which one of the following is the instrument of monetary policy?
- (a) Taxation
(b) Cash reserve ratio
(c) Public expenditure
(d) Public debt
9. EFT means
- (a) Effective Funds Transfer
(b) Electronic Funds Transfer
(c) Electronic Finance Transfer
(d) Effective Funds Technology
10. e-banking facilitates
- (a) speed banking (b) profitable banking
(c) quality banking (d) all the above

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b) in about 250 words.

11. (a) Explain the various types of banks.

Or

- (b) State the disadvantages of Unit Banking System.

12. (a) Define and explain about Commercial Banking.

Or

- (b) Explain the limitations of Credit Creation.

13. (a) Trace the origin of central banking.

Or

- (b) Explain the objectives of credit control.

14. (a) Explain the types of monetary policy.

Or

- (b) Narrate the various instruments of monetary policy.

15. (a) Explain the problems of e-banking.

Or

(b) Write a note on credit card.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b) in about 600 words.

16. (a) Explain the advantages of unit banking system.

Or

(b) Bring out the demerits of branch banking system.

17. (a) Explain the main functions of commercial banks.

Or

(b) Analyse the role of commercial banks in a developing economy.

18. (a) Examine the function of central bank.

Or

(b) Evaluate the functions of RBI.

19. (a) Discuss the main objectives of monetary policy.

Or

(b) Analyse the role of monetary policy in a developing economy.

20. (a) Explain the benefits of e-banking.

Or

(b) Discuss the security features of RTGS.
