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B.A. (CBCS) DEGREE EXAMINATION,
APRIL 2020.

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. _____ is the apex bank of the nation.
 - (a) Commercial Bank
 - (b) Central Bank
 - (c) Investment Bank
 - (d) Co-operative Bank

2. Unit banking system is most popular in _____.
- (a) England (b) America
(c) Canada (d) India
3. Credit creation function was supported by _____.
- (a) Sayers (b) Edwin Canon
(c) Walter Leaf (d) Keynes
4. 14 Commercial banks were nationalised on _____.
- (a) 1969 (b) 1980
(c) 1990 (d) 1992
5. Which has the power to formulate monetary policy?
- (a) Commercial bank (b) Co-operative bank
(c) Central bank (d) Ministry of finance
6. RBI Act was passed in the year _____.
- (a) 1934 (b) 1949
(c) 1955 (d) 1980

7. Which one of the following is a best example for monetary policy instrument?
- (a) bank rate
 - (b) taxation
 - (c) public expenditure
 - (d) public debt
8. The main objective of monetary policy in a developing economy is
- (a) economic growth (b) full employment
 - (c) price control (d) create inflation
9. e-banking is basically _____ oriented.
- (a) internet (b) books
 - (c) manual (d) all of these
10. e-banking facilitates _____.
- (a) profitable banking
 - (b) quality banking
 - (c) speed banking
 - (d) all of these

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Answer should not exceed 250 words.

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

Or

- (b) List the advantages of unit banking.

12. (a) List the objectives of nationalisation of commercial banks.

Or

- (b) Write a note on credit creation.

13. (a) Trace the origin of Central Bank.

Or

- (b) Explain the main functions of Central Bank.

14. (a) Explain Monetary Policy.

Or

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

15. (a) Write a note on e-banking.

Or

(b) What are the advantages of debit card?

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Answer should not exceed 600 words.

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

Or

(b) What are the merits of branch banking system?

17. (a) Explain the role of commercial banks in a developing economy.

Or

(b) List the factors that affect credit creation.

18. (a) Explain the objectives of credit control.

Or

(b) Evaluate the functions of RBI.

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

Or

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

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

Or

(b) List the features of RTGS.
