

(6 pages)

Reg. No. :

Code No. : 10187 E Sub. Code : SMEC 63

B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2022.

Sixth Semester

Economics — Core

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. Which country is the organization of the unit banking system?
(a) India (b) Germany
(c) England (d) America
2. Commercial banking system in India is
(a) Mixed banking (b) Unit banking
(c) Branch banking (d) None of the above

3. Banks accept
(a) Current account deposits
(b) Fixed account deposits
(c) Saving account deposits
(d) All the above
4. 14 major commercial banks was nationalized in the year
(a) 1934 (b) 1947
(c) 1967 (d) 1969
5. Which of the following function is not of a central bank?
(a) Acting as a lender of the last resort
(b) Accepting deposits from the public
(c) Acting as a controller of credit
(d) Acting as custodian of foreign
6. The reserve bank of India was established in the year
(a) 1929 (b) 1935
(c) 1933 (d) 1947

Page 2 Code No. : 10187 E

7. The objective of monetary policy is
(a) Price stability
(b) Full employment
(c) Exchange rate stability
(d) All the above
8. At present bank rate is fixed by
(a) Finance ministry
(b) Commerce ministry
(c) Monetary policy committee
(d) Central government
9. ATM card is invented by
(a) Bill gates (b) Keynes
(c) Sweezy (d) John Shephard Barron
10. Which is considered as modern banking?
(a) Merchant banking
(b) Mobile banking
(c) Debit cards
(d) Saving cards

Page 3 Code No. : 10187 E

PART B — (5 × 5 = 25 marks)

Answer ALL questions choosing either (a) or (b).
Each answer should not exceed 250 words.

11. (a) Specify the merits of unit banking.
Or
(b) What are the demerits of unit banking?
12. (a) Account the reasons for naturalisation of commercial banks.
Or
(b) Brief the role of commercial banks in a developing country.
13. (a) Summarize the functions of RBI.
Or
(b) Write a note on the origin of central banking.
14. (a) What are the instruments of monetary policy?
Or
(b) Give an account of monetary policy committee.

Page 4 Code No. : 10187 E

[P.T.O.]

15. (a) Define modern banking and state its features.

Or

(b) What are the advantages of mobile banking?

PART C — (5 × 8 = 40 marks)

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

Each answer should not exceed 600 words.

16. (a) Discuss the types of banking.

Or

(b) Explain the merits and demerits of branch banking.

17. (a) Analyse the functions of commercial banks.

Or

(b) Explain the process of credit creation by commercial banks.

18. (a) Explain the functions of central bank.

Or

(b) Discuss the quantitative methods of credit control.

Page 5 Code No. : 10187 E

19. (a) Narrate the objectives of monetary policy.

Or

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

20. (a) Brief the functions of modern banking.

Or

(b) Discuss the advantages of E-banking.

Page 6 Code No. : 10187 E