

(6 Pages)

Reg. No. : .....

Code No. : 30187 E Sub. Code : SMEC 63

B.A. (CBCS) DEGREE EXAMINATION, APRIL 2023

Sixth Semester

Economics — Core

MONEY AND BANKING — II

(For those who joined in July 2017–2019)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Unit banking is popular in which country?  
(a) UK (b) USA  
(c) China (d) Russia
2. The word bank is derived from the Greek word  
(a) Banque (b) Banco  
(c) Bunk (d) None
7. Open market operation is a part of \_\_\_\_\_ policy.  
(a) fiscal (b) income  
(c) price (d) monetary
8. Monetary policy is the policy of  
(a) central bank  
(b) commercial banks  
(c) central governments  
(d) none
9. Which one operates as a world wide financial messaging network?  
(a) Visa card (b) SWIFT  
(c) EFT (d) CHAPs
10. ATM means  
(a) All Time Money  
(b) Any Time Money  
(c) Automated Teller Machine  
(d) Anywhere Teller Money

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3. The main purpose of banking is  
(a) receiving deposit  
(b) do service  
(c) to earn profit  
(d) lending
4. The volume of credit creation is more during the period of \_\_\_\_\_  
(a) prosperity (b) recession  
(c) depression (d) stagnation
5. Which one of the following is acting as a banker to the government?  
(a) central bank  
(b) commercial banks  
(c) co-operative banks  
(d) all
6. Who is the custodian of India's foreign exchange reserve?  
(a) State bank  
(b) Canara bank  
(c) Reserve bank of India  
(d) None

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PART B — (5 × 5 = 25 marks)

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

11. (a) Explain the merits of unit banking.  
Or  
(b) State the features of branch banking.
12. (a) Explain the process of credit creation of commercial banks.  
Or  
(b) State the objectives of nationalisation of banks.
13. (a) What are the objectives of credit control?  
Or  
(b) Explain the selective credit control measures.
14. (a) State the objectives of monetary policy.  
Or  
(b) Explain the monetary policy to be followed during inflation.

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[P.T.O.]

15. (a) Write about the e-banking.

Or

(b) How does a credit card help the customer in his banking activities?

PART C — (5 × 8 = 40 marks)

Answer ALL questions choosing either (a) or (b).  
Each answer should not exceed 600 words.

16. (a) State the features of unit banking and examine its demerits.

Or

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

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

Or

(b) Discuss the arguments in favour of nationalisation of banks.

18. (a) Describe the various quantitative methods of credit control of central bank.

Or

(b) Explain the functions of reserve bank of India.

19. (a) Explain the various instruments of monetary policy.

Or

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

20. (a) Discuss the merits of e-banking.

Or

(b) Differentiate traditional banking from e-banking.

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