

Reg. No. : .....

Name : .....

**Second Semester B.A. Degree Examination, September 2022**

**First Degree Programme under CBCSS**

**Economics**

**Complementary Course III**

**EC 1231 – MONEY AND BANKING**

**(2020 Admission Onwards)**

Time : 3 Hours

Max. Marks : 80

**SECTION – I**

Answer **all** questions. **Each** question carries **1** mark.

1. Broad Money
2.  $M_1$
3. Walking Inflation
4. Disinflation
5. Depression
6. Virtual Currency
7. Credit Card
8. E-Wallets

P.T.O.

9. Repo Rate

10. RTGS.

(10 × 1 = 10 Marks)

SECTION – II

Answer any **eight** questions not exceeding 1 paragraph. Each question carries 2 marks.

11. Mention the secondary functions of money in an economy.

12. Define hyper inflation.

13. What is deflation?

14. Define outside money.

15. What is net banking?

16. What are open market operations?

17. Explain GDP deflator.

18. What is credit multiplier?

19. Mention monetary base of an economy.

20. What are RRBs?

21. What do you mean by business cycles?

22. What is demonetisation?

23. Mention quantitative credit control.

24. What do you mean by cheque truncation system?
25. Explain moral suasion.
26. Write a short note on PACS.

**(8 × 2 = 16 Marks)**

**SECTION – III**

Answer any **six** questions not exceeding **1** page. Each question carries **4** marks.

27. Mention legal tender money.
28. Explain CRR and SLR as effective instruments of monetary policy.
29. Distinguish between demand-pull and cost-push inflation.
30. Examine the cash balance approach to quantity theory of money.
31. List out the basic instruments of qualitative credit control.
32. How bank rate is used as an instrument for controlling inflation and deflation?
33. Explain the role of commercial banks in an economy.
34. Distinguish between NEFT and RTGS.
35. Examine the major functions of cooperative banks in India.
36. Discuss the basic objectives of monetary policy.
37. Explain the scheme of banking ombudsman.
38. Write a note on central banking with reference to Indian economy.

**(6 × 4 = 24 Marks)**

SECTION – IV

Answer any **two** questions not exceeding **4** pages. Each question carries **15** marks.

39. Explain the quantity theory of money.
40. Discuss the major effects and measures of inflation.
41. Examine the basic instruments of monetary policy for economic stabilisation.
42. Explain the economic imperative of cooperative banks in Indian financial system.
43. Give a brief account of the major functions of Reserve Bank of India.
44. "Indian banking sector has changed its approach from conventional banking to convenience banking" – Comment.

(2 × 15 = 30 Marks)