

Code No. : 30644 E Sub. Code : CMEC 63

B.A. (CBCS) DEGREE EXAMINATION, APRIL 2024

Sixth Semester

Economics – Core

## MONEY AND BANKING

(For those who joined in July 2021 – 2022 onwards)

Time : Three hours

Maximum : 75 marks

## PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. A fall in the value of money over time brings losses to \_\_\_\_\_.  
 (a) Creditors  
 (b) Debtors  
 (c) Buyers  
 (d) Sellers

6. \_\_\_\_\_ inflation came to be known as the "New Inflation".  
 (a) Demand-pull (b) Cost-push  
 (c) Mark-up (d) Open Inflation
7. The \_\_\_\_\_ bank keeps the deposits of the central and state governments and makes payments on behalf of governments.  
 (a) Agricultural (b) Industrial  
 (c) Commercial (d) Central
8. Exchange banks are also called as \_\_\_\_\_ banks.  
 (a) Commercial (b) Central  
 (c) Industrial (d) Foreign exchange
9. Choose the right expansion of RTGS  
 (a) Real – Time Gross Settlement  
 (b) Real – Time Goods Settlement  
 (c) Real – Time General Settlement  
 (d) Real – Time Gold Settlement
10. Choose the right expansion of NPCI  
 (a) National Pension Corporation of India  
 (b) Natural Pension Corporation of India  
 (c) National Payment Corporation of India  
 (d) Natural Payments Corporation of India

2. The Monetarist view is associated with \_\_\_\_\_ and his followers at the University of Chicago.  
 (a) Prof. Friedman  
 (b) Prof. Gurley and Shaw  
 (c) Johnson  
 (d) J.M Culbertson
3. Simple deposit system is also known as the \_\_\_\_\_ system.  
 (a) Proportional reserve  
 (b) Full reserve  
 (c) Fixed fiduciary  
 (d) Maximum fiduciary
4. Paper currency standard consists of paper money which is unlimited legal tender and token coins of \_\_\_\_\_ metals.  
 (a) Gold (b) Silver  
 (c) Cheap (d) Costlier
5. As pointed out by Coulborn, "Involuntary unemployment is the hall-mark of \_\_\_\_\_.  
 (a) Inflation (b) Deflation  
 (c) Stagflation (d) Ratchet Inflation

## PART B — (5 × 5 = 25 marks)

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

11. (a) What are the qualities of good money?  
 Or  
 (b) Explain the difficulties of barter system.
12. (a) What are the types of Gold Standard?  
 Or  
 (b) Briefly explain the Keynes's Savings and Investment theory.
13. (a) Highlight the various types of inflation.  
 Or  
 (b) What are the methods of controlling inflation?
14. (a) What are the demerits of branch banking?  
 Or  
 (b) What are the functions of commercial bank?
15. (a) Write a short summary on credit cards in India.  
 Or  
 (b) Comment your views on E-banking.

PART C — (5 × 8 = 40 marks)

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

16. (a) Explain the evolution of money.

Or

- (b) Describe the functions of money.

17. (a) Explain Prof. Robertson and A.C. Pigou equation of exchange.

Or

- (b) Explain the principles of note issue.

18. (a) Discuss the various causes of inflation.

Or

- (b) Describe the methods to control inflation in India.

19. (a) Examine the role of commercial bank in a developing economy.

Or

- (b) Explain the functions of RBI.

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20. (a) Analyse the functions of mobile banking.

Or

- (b) Write an essay on the current context of Google Pay.

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