Reg. No.: ....

Name: ....

W6823

University of Kerala

Third Semester FYUGP Degree Examination, November 2025

Discipline Specific Core Course

ECONOMICS

UK3DSCECO204 - Money and Banking

Academic Level: 200-299

2024 Admission

Time: 2 Hours(120 Mins) **Max. Marks: 56**

Part A.6 Marks:Time 5 Minutes.(Cognitive Level :Remember(RE)/Understand(UN)) Objective Type.1 mark each, Answer all questions

Qn No.	Question	CL	CO
1	The system used for international electronic fund transfer between banks is --------- Options : A)ECS B)RTGS C)SWIFT D)NEFT	RE	4
2	Which of the following is used to measure changes in the value of money Options : A)GDP Deflator B)Index number C)National Income D)Exchange rate	RE	2
3	Purchasing power of money decreases with: Options : A)Fall in prices B)Rise in prices C)Stable prices D)None of the above	UN	1
4	SWIFT stands for Options : A) Secure Wireless Internet Fund Transfer B) Society for Worldwide Interbank Financial Telecommunication C) Standard Web Interface for Transactions D) System for Worldwide International Fund Transfer	UN	4
5	The main objective of the SARFAESI Act, 2002 is to: Options : A)Promote foreign investment in India B)Allow banks and financial institutions to recover non-performing assets without court intervention C)Regulate stock market operations D)Control foreign exchange transactions	UN	2
6	Why is the structure of the Indian banking system described as “multi-tiered”?	UN	1

Qn No.	Question	CL	CO
	Options : A)Multiple policy rates B)Different levels of bank hierarchy C)Several central banks D)Private sector dominance		

Part B.10 Marks.Time:20 Minutes (Cognitive Level:Understand(UN)/Apply(AP))Two-three sentences.2 marks each.Answer all questions

Qn No.	Question	CL	CO
7	State two functions of money.	UN	1
8	Describe the quantitative credit control weapons of RBI	UN	3
9	Which payment system are you most likely employing when you scan a QR code to immediately pay a supplier directly from your bank account?	AP	4
10	Show with an example how currency in circulation forms part of high powered money.	AP	1
11	What are the different functions of commercial banks? Explain how these banks generate credit in the economy.	AP	2

Part C.16 Marks.Time:35 Minutes.(Cognitive Level :Apply(AP)/Analyse(AN))Short Answer.4 marks each, Answer all 4 questions,choosing among options * within each question

Qn No.	Question	CL	CO
12	A) How high powered money can be termed as a monetary base? OR B) Apply the use of UPI: Show how a shopkeeper can manage daily transactions digitally without cash.	AP	1, 4
13	A) A commercial bank grants a loan to a new business. Explain how this loan increases the total money supply in the economy. OR B) Describe the different types of electronic fund transfers in India.	AP	4, 4

Qn No.	Question	CL	CO
14	A) Examine the various methods of measuring changes in the value of money. OR B) A customer wants to transfer an amount of Rs. 6 lakh to his friend in Delhi immediately. Which mode of fund transfer method will he adopt? Comment on type of settlement, time for settlement, minimum and maximum limit for fund transfer.	AN	1, 4
15	A) Explain the role of Non Banking Financial Companies (NBFCs) in the Indian financial system OR B) Explain the objectives and features of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002.	AN	2, 4

Part D.24 Marks.Time: 60 Minutes.(Cognitive Level :Analyse(AN)/Evaluate(EV)/Create(CR)) Long Answer 6 Marks each.Answer all 4 questions choosing among options * within each question

Qn No.	Question	CL	CO
16	A) Differentiate between quantitative and qualitative credit control measures of RBI OR B) Analyse the changing role of the Indian banking system in supporting economic growth and financial inclusion over the last three decades.	AN	3, 3
17	A) Examine the recommendations of the First and Second Narasimham Committees on banking sector reforms in India. Discuss their impact on banking efficiency, prudential norms, and the modernization of the Indian banking system OR B) Evaluate the role of banks in the Indian financial system.	EV	3, 2
18	A) Assess the possibility of cryptocurrency as an alternative to government-issued currency. OR B)	EV	3, 1

Qn No.	Question	CL	CO
	Evaluate the importance of high powered money in controlling liquidity and ensuring stability in the economy.		
19	A) Propose a system for increasing transparency in banking operations after reforms. OR B) Prepare a comprehensive list of the major digital fund transfer methods in India.	CR	5, 4