

Date : 12-Feb-26
Time : 03:00pm to 05:15pm
Duration : 02.15 Hours
Max. Marks : 70

1. Explain the Functions of Money.
2. Elaborate the Determinants of Money Supply.
3. Discuss the types of Inflation in detail.
4. Illuminate the Functions of Commercial Banks and Services.
5. Explain the different Classification of Loans and Advances.

Answer the following (Attempt any four) (20)

1. A Note on Reserve Ratio.
2. A Note on Causes of Inflation.
3. Differences between Group Banking and Chain Banking.
4. Advantages and Disadvantages of Branch Banking and Unit Banking.
5. Balance Sheet of Commercial Banks.
6. Meaning and Function of Financial System.

Part – A (Multiple Choice Questions) (10)

- 1 High-powered money is also known as:
A Reserve Money
B Supply money
C Base money
D All of above
- 2 If GNP is Rs. 4,000 million and money stock M is Rs. 100 millions, then what will be the income velocity?
A 40
B 10
C 30
D 20
- 3 Which is the correct formula for calculating money flow, where M is money stock and V is circulation velocity?
A Money Flow = $M \times V$
B Money Flow = $M + V$
C Money Flow = $M - V$
D Money Flow = M / V
- 4 Money is also known as:
A currency
B financial instruments
C financial conveniences
D All of above

- 5 Which is correct in case of Money?
 A Money is hundred percent liquid B Money helps to measure national income
 C Money ensures utilisation of resources D All of the above
- 6 Which is not covered under inflation?
 A demand pull B war inflation
 C peace time inflation D ratchet inflation
- 7 Which is not a reason for inflation?
 A Excess of money supply B Excess of manpower
 C Excess of population D Expansion of bank credit
- 8 Which is not a measure to control inflation?
 A Monetary Policy & Fiscal Policy B Required supply of goods
 C Public expenditures D Price control policy
- 9 Which is not a main function of commercial bank?
 A Accepting deposits B Granting loans
 C Granting advances D Issuing of Cheques
- 10 Which among the following is a function of commercial bank?
 A To undertake payment of subscriptions B To collect cheques
 C To issue promissory notes D All of above

Part – B (Do as Directed- One line answer)

(10)

- 1 Meaning of Market
- 2 Meaning of Securities
- 3 Meaning of Demand deposit
- 4 Meaning of Inflation
- 5 Meaning of Deflation
- 6 Meaning of Cost push inflation
- 7 Meaning of Bank capital.
- 8 Meaning of Market.
- 9 Meaning of Financial System
- 10 Meaning of Money Market.
