Enrollment No:	Exam Seat No:
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C.U.SHAH UNIVERSITY

Winter Examination-2015

Subject Name: Money Economics and Financial System - I

Subject Code: 4CO03MEF1 Branch: B.Com (English)

Semester: 3 Date: 1/12/2015 Time: 2.30 To 5.30 Marks: 70

Instructions:

- (1) Use of Programmable calculator & any other electronic instrument is prohibited.
- (2) Instructions written on main answer book are strictly to be obeyed.
- (3) Draw neat diagrams and figures (if necessary) at right places.
- (4) Assume suitable data if needed.

Q-1		Attempt the following questions:	(14)
	a)	a) "Only coins of metal means money" is the opinion of which economist? (A) Prof. Price (B) Prof. Knight (C) Prof. G.D.H. Call (D) Prof. Kent	
	b)	According to Prof.Fisher if the quantity of money doubles then how much will be the value of money?	(1)
	 (A) Double (B) Four times (C) Half (D) Three times c) How is the relation between quantity of money and price level? (A) Properties (C) Inverse (D) Direct 		(1)
	d)	(A) Busy (B) Proportionate (C) Inverse (D) Direct The aim of financial system in economy is of efficient allocation of (A) Profit (B) Savings (C) Capital (D) Interest	
	e) The Central Bank of India is known by which name? (A) SBI (B) RBI (C) BOI (D) UBI		(1)
	f)		
	g)	On 18 th July, 1969 how many banks were nationalized? (A) 9 (B) 12 (C) 20 (D) 14	
	h)	Give the full name – I.F.C.I.	(1)
	i)	Commercial banks create credit by	(1)
		(A) providing overdraft facility(B) purchasing securities(C) discounting bills(D) all the three manners	
	j)) S.I.D.B.I Write the full name .	
	k)	k) The International Bank for Reconstruction and Development (IBRD) is also known as	
		(A) International Monetary Fund (B) World Trade Organization	
	•	(C) World Trade Development Fund (D) World Bank	(4)
	l)	Write the full form – ADB	(1)
	m)	Write the meaning of NPA.	(1)
	n)	Write the full name - WTO	(1)

Attempt any four questions from Q-2 to Q-8

Q-2		Attempt all questions	(14)
	(a)	Explain the primary functions of money.	(7)
	(b)	Discuss the Assumptions made in quantity theory of money.	(7)
Q-3		Attempt all questions	(14)
	(a)	Discuss the types of financial system and its method.	(7)
	(b)	Explain the basic components of financial system.	(7)
Q-4		Attempt all questions	(14)
	(a)	Show the importance of banks explaining the meaning of commercial banks.	(7)
	(b)	Write a note on traditional functions of the banks.	(7)
Q-5		Attempt all questions	(14)
	(a)	Discuss the functions done under CORE banking system .(Any seven)	(7)
	(b)	Explain the causes of rise in NPA in nationalized banks . (Any seven)	(7)
Q-6		Attempt all questions	(14)
	(a)	Explain the methods of credit creation.	(7)
	(b)	Discuss the conditions of credit creation.	(7)
Q-7		Attempt all questions	(14)
	(a)	Describe the main characteristics of Development Banks.	(7)
	(b)	Describe the main characteristics of unregulated credit market.	(7)
Q-8		Write Short Notes:	(14)
-	(a)	World Bank	(5)
	(b)	WTO	(5)
	(c)	ADB	(4)

