

TILAK MAHARASHTRA VIDYAPEETH, PUNE
MASTER OF COMMERCE (M.COM.)
EXAMINATION : DECEMBER - 2022
SECOND SEMESTER
Sub: Monetary Policy (MCB-212)

Date: 14/12/2022

Total marks: 100

Time: 10.00 am to 1.00 pm

Instruction: All questions are compulsory.

Q. 1 Answer the following questions. (Attempt any three) (30)

1. What are the various measures to promote export? Explain each of them in detail.
2. Discuss the role of Regional Rural Banks in rural credit development.
3. Explain in detail the importance of monetary policy.
4. State the quantitative instruments of monetary policy with its mechanism and effectiveness.
5. Explain in detail RBI's approach towards Monetary Management.

Q. 2 Answer the following questions. (Attempt any three) (30)

1. Explain the concept of Exchange Rate stability
2. State and explain the concept of high powered money.
3. What is the procedure to obtain pre-shipment and post shipment finance?
4. Discuss problems of conflicting objectives of Monetary Policies.
5. Explain post shipment finance in detail.

Q. 3 Write short notes. (Attempt any four) (20)

1. Credit rationing
2. EXIM Bank
3. Balanced growth
4. Recommendation of the Narsimhan Committee with regard to Regional Rural Banks
5. Demand deposits
6. Money Supply and price stability

Q.4 A Answer in one Sentence (Any 5) (10)

1. What is the main motto of Monetary Policy?
2. State the full form of HDFC.
3. What is the full form of SLR?
4. What do you mean by EXIM?
5. What does Qualitative method refer to?
6. What do you mean by CRR?
7. What are Open Market Operations?

Q.4 B Select the correct Alternatives (Attempt any Ten) (10)

1. IDFC stands for _____.
 - a) Information Development Finance Corporation
 - b) Industrial Development Finance Company
 - c) Infrastructure Development Finance Corporation
 - d) Input Development Financial Corporation

2. Bridge loans were sanctioned in the year _____ after certain restriction from RBI
 - a) 1997
 - b) 1999
 - c) 1995
 - d) 1996
3. _____ is granted to clients for making payment to suppliers for acquiring goods to be exported.
 - a) packing credit loan
 - b) post shipment credit
 - c) bank overdraft
 - d) long term loan
4. EDF means _____.
 - a) Export Development Finance
 - b) Economic Development Finance
 - c.) Economic Development Fund
 - d) Export Development Fund
5. _____ and _____ are the objectives of monetary policy.
 - a) price stability and credit control
 - b) poverty and national income
 - c) demand and market stability
 - d) price stability and poverty
6. Money supply acts as a circulating _____.
 - a) medium of exchange
 - b) value of money
 - c) market
 - d) demand and supply
7. SFC means _____.
 - a) State Finance Corporation
 - b) State Fixed Company
 - c) Statutory Finance Corporation
 - d) State Finance Company
8. RBI slashes repo rates by _____ points to provide stimulus growth.
 - a) 75
 - b) 100
 - c) 50
 - d) 25
9. Term lending loans are given for a long periods ranging from _____ years.
 - a) 1 to 5
 - b) 5 to 10
 - c) 8 to 10
 - d) 1 to 10
10. Small road transport scheme is introduced by _____ for financing transport system for non-farm sectors.
 - a) NABARD
 - b) RBI
 - c.) Regional Rural Banks
 - d) Commercial Banks
11. The instruments used by Central Bank to regulate the money supply are classified into _____ and _____ methods.
 - a) Direct and Indirect
 - b) Credit and Cash
 - c) Quantitative and qualitative
 - d) Effective and Ineffective
12. L1 includes _____.
 - a) National Saving Certificates
 - b) Term deposits
 - c) RBI
 - d) Non-Banking deposits