

Shri Guru Nanak Degree College
Preet Vihar Rudrapur

Subject: Money and Banking

Class: B.Com (Hons.) Semester III

Long Answer Questions

1. Define money. Discuss its nature and functions.
2. Explain the evolution of money from the barter system.
3. What are the various monetary standards? Explain with examples.
4. Describe the structure and role of the Indian banking system.
5. Differentiate between banking and non-banking financial intermediaries.
6. Explain the functions of the Reserve Bank of India (RBI).
7. What is credit creation? How do banks create credit?
8. Discuss the tools and techniques of credit control used by RBI.
9. What is a financial system? Discuss its importance in economic development.
10. Define financial markets. Explain its functions and types.
11. Compare and contrast money market and capital market.
12. Describe the instruments of the Indian money market.
13. Discuss the structure of the Indian capital market.
14. What are the roles of SEBI and RBI in regulating financial markets?
15. Explain the role and significance of foreign banks in India.
16. What are the recent changes in the regulatory framework of Indian banking?
17. Discuss the impact of monetary policy on the Indian economy.
18. Explain the differences between central and commercial banks.
19. How does RBI maintain price stability and control inflation?
20. What is the significance of non-banking financial companies (NBFCs)?
21. What is the barter system? Why was it replaced by money?
22. Explain the concept of money supply. What are its components?
23. Describe the process of monetary policy formulation in India.

24. What are the challenges faced by Indian banking in the current scenario?
25. Discuss the role of technology in modern banking.
26. What is digital banking? State its advantages and limitations.
27. Describe the relationship between money market and capital market.
28. Explain repo rate, reverse repo rate, CRR, and SLR.
29. Discuss the regulatory role of RBI in the banking sector.
30. Explain how interest rates are determined in the financial system.
31. Describe the process of credit creation with an example.
32. What is financial inclusion? Discuss initiatives by Indian banks.
33. Define monetary policy. What are its objectives?
34. Explain the tools of monetary policy with suitable examples.
35. Discuss the role of foreign banks in India's economic development.
36. Compare public sector and private sector banks.
37. What are the risks associated with banking operations?
38. What are the major reforms introduced in Indian banking post-1991?
39. Describe the features of the Indian money market.
40. What are primary and secondary markets in capital markets?
41. Discuss the role of NABARD in the Indian financial system.
42. What are Treasury Bills and Commercial Papers?
43. Explain the role of cooperative banks in rural development.
44. Define financial intermediaries. Classify them with examples.
45. What is the impact of globalization on Indian banking?
46. Describe the changing structure of the Indian banking system.
47. What are the major sources of funds for banks?
48. What are the recent technological advancements in banking?
49. Explain Basel norms and their significance for banks.
50. Write a detailed note on financial literacy and awareness.

Short Answer Questions

1. Define money.
2. What is barter system?

3. List any two functions of money.
4. What is a monetary standard?
5. Define banking.
6. What is a NBFC?
7. What is the full form of RBI?
8. Define credit control.
9. What is credit creation?
10. What is a financial system?
11. Name two financial markets.
12. Define money market.
13. Define capital market.
14. What is SEBI?
15. List any two instruments of the money market.
16. Define repo rate.
17. What is CRR?
18. What is SLR?
19. Define monetary policy.
20. What is open market operation?
21. What is the role of RBI in credit control?
22. Name any two tools of monetary policy.
23. Define foreign bank.
24. What is digital banking?
25. Define financial inclusion.
26. What is NEFT?
27. Name two non-banking financial institutions.
28. What is the function of a central bank?
29. Define inflation.
30. What is a commercial bank?
31. What is the call money market?
32. Name two capital market instruments.
33. What is financial literacy?

34. Name any two public sector banks.
35. Define interest rate.
36. What is a demand deposit?
37. Define treasury bill.
38. What is a certificate of deposit?
39. Name two private sector banks in India.
40. Define savings bank account.
41. What is a recurring deposit?
42. What is KYC?
43. Define LAF (Liquidity Adjustment Facility).
44. Name any two foreign banks operating in India.
45. What is the structure of Indian banking system?
46. Define monetary base.
47. What is mobile banking?
48. Define remittance.
49. What is a financial intermediary?
50. Name any one Basel norm.

One Word / Objective Type Questions

1. Full form of RBI – ____
2. CRR stands for – ____
3. RBI was established in the year – ____
4. Headquarter of RBI – ____
5. Monetary policy is framed by – ____
6. Rate at which RBI lends to banks – ____
7. Another term for legal tender – ____
8. Primary regulator of financial markets – ____
9. Money used for transactions – ____ money
10. Barter system lacks – ____
11. Bank that controls credit – ____
12. Financial market for short-term funds – ____

13. T-bills are issued by – ____
14. Repo rate is used to control – ____
15. SLR stands for – ____
16. ATM stands for – ____
17. Bank that operates globally – ____ bank
18. Fixed deposit is also known as – ____ deposit
19. Cheque is a type of – ____ instrument
20. Currency issued by RBI – ____ currency
21. The apex bank in India – ____
22. Type of deposit account – ____
23. Commercial Paper is a – ____ instrument
24. Call money market deals in – ____ term funds
25. RBI was nationalized in – ____
26. Credit control is a function of – ____
27. Example of NBFC – ____
28. Rate banks charge from customers – ____ rate
29. Basel norms regulate – ____
30. Capital market deals in – ____ term funds
31. SEBI stands for – ____
32. Bank that provides refinancing to rural banks – ____
33. Priority sector lending is mandated by – ____
34. Negotiable instrument – ____
35. ECS stands for – ____
36. MICR stands for – ____
37. Instrument used in money market – ____
38. Government securities are also called – ____
39. Repo rate increase results in – ____ credit availability
40. Banks earn income through – ____
41. Money market instruments are – liquid / illiquid?
42. TDS stands for – ____
43. Example of digital payment app – ____

- 44. Capital adequacy ratio is part of – ____ norms
- 45. System of electronic fund transfer – ____
- 46. Banking Ombudsman deals with – ____
- 47. Financial literacy promotes – ____ decisions
- 48. Balance sheet of banks is regulated by – ____
- 49. Foreign exchange is managed by – ____
- 50. RTGS stands for – ____

