

Time: 2½ Hours

Total Marks: 75

Note: 1) All questions are compulsory

2) Figures to right indicate marks

Q.1.a. State whether the following statements are True or false: (Any 8) (08)

1. The RBI was established as a private bank.
2. Globalisation has increased the role of Central bank.
3. The RBI is totally autonomous and independent of the government.
4. The Bank for International Settlements frames prudential norms for the Banking sector.
5. Foreign exchange operations are governed by the FERA.
6. Monetary policy alone can control inflation.
7. Price stability and economic growth are conflicting in nature.
8. Any organization accepting deposits for its own sake is called a bank.
9. There are no risk in e-banking.
10. The World Bank consists of five institutions.

b. Choose the correct alternative and rewrite the sentences: (Any Seven) (07)

1. The major weakness faced by Central Banks in emerging economies are _____
 - a. Weak financial system,
 - b. Financing government debt,
 - c. Both (a) and (b),
 - d. None of the above
2. Forecasting or fixing rate of inflation is called _____
 - a. inflation targeting
 - b. C.R.R
 - c. Exchange rate targeting
 - d. Monetary policy
3. Monetary policy in India is formulated by _____
 - a. Monetary policy committee
 - b. Tandon committee
 - c. Central Government
 - d. State government
4. The present governor of RBI is _____
 - a. Mr. Shaktikanta Das
 - b. Urjit Patel
 - c. N.K. Singh
 - d. Arvind Subramanian

Paper / Subject Code: 85501 / Central Banking

5. During the recession time the C.R.R is _____

- a. Reduced
- b. Increased
- c. kept same
- d. doubled

6. License to start a bank are issued by _____

- a. RBI
- b. SEBI
- c. IRDA
- d. ITA

7. Certificate of deposit is issued by _____

- a. Commercial Banks
- b. RBI
- c. IRDA
- d. SEBI

8. The central bank of China is _____

- a. People's Bank of China
- b. Reserve Bank of China
- c. Swiss Bank of China
- d. Federal Bank of China

9. E-payments are increasing due to _____ shopping.

- a. Online
- b. Offline
- c. D-Mart
- d. Traditional

10. RTGS stands for _____

- a. Real Time Gross Settlement
- b. Reel Time Gross Settlement
- c. Rate TimeGross Settlement
- d. Red Time Gross Settlement

Q.2.a. Explain the factors responsible for changing face of Central Banking. (08)

b. Explain briefly about various departments of RBI. (07)

OR

c. Explain important provisions of Banking Regulation Act, 1949. (08)

d. Explain functions of Central Banking in detail. (07)

Q.3.a. Explain briefly structure of Federal Reserve System. (08)

b. Explain the concept of e-banking. What are its pros and cons. (07)

OR

c. Write a detailed note on 'BIS'. (08)

d. Explain meaning and instruments of fiscal policy. (07)

Q.4.a. Explain meaning of autonomy of the central banking. Also explain factors limiting autonomy of Central Bank. (08)

b. Explain meaning and objectives of monetary policy. (07)

OR

Q.4.a. Explain constituents of Indian Financial system. (08)

b. Explain core principles for the supervisors. (07)

Q.5.a. Explain meaning & instruments of fiscal policy. (08)

b. Explain steps taken by SEBI for capital market development. (07)

OR

Q.5. Write short note on any three: (15)

1. Inflation targeting

2. Limitations of fiscal policy

3. Regulations Review Authority

4. Risks in the new IT Era

5. OSMOS