1st Unit test Examination, 2022

B.A. 5th Semester

Economics (Honours)

Paper: HE-5026

Full marks-20 Time: 1 hr.

Choose the correct one from the following options:

1. Which one of the following is not a function of money
2. Measure of value C. Medium of exchange
3. Store of Value D. Universally acceptable
4. Who create the one rupee notes
5. Central bank B. Commercial banks
6. Government D. Finance commission
7. Which one of the following is the most liquid form of money
8. M1 B. M3 C. AMR D. M2
9. Which of the following about money supply measure adopted in 1977 is correct?
10. M2 B. M3 C. M4 D. All of the above
11. What do the banks do with the deposits which I they accept from the customers?  
    A. Banks use these deposits for charitable activities.  
    B. Banks use a major portion of deposits to extend loans.  
    C. Banks use deposits to give bonus to their employees.  
    D. Banks use deposits to set up more branches in the country
12. Which of the following is known as broad money?
13. M3 B. M1 C. M2 D. M4
14. The monetary base is:
15. The sum of currency in circulation and commercial bank reserves.
16. The sum of currency in circulation and the currency held by commercial banks.
17. The sum of gold and foreign exchange held by the central bank
18. The sum of real assets of the banking sector plus its net worth
19. Fiat Money is Money….
20. Without or very little intrinsic value C. With intrinsic value
21. That can be also consumed D. This is not declared by the government as legal tender.
22. ‘Net time deposit of banks’ is included in…
23. M2 B. M3 C. M4 D. Both in M3 and M4
24. Which of the following is not a constituent of financial system
25. Financial assets B. Intermediaries C. Money market D. None of the above
26. Which of the following supervises the formal sources of loan
27. SEBI B. Commercial banks C. Central bank D. NBFI
28. Primary securities are financial claims against……….
29. Real sector units B. Financial institutions C. RBI D. None of the above
30. Financial institutions are those………
31. That mediate between ultimate lenders and ultimate borrowers
32. That purchase and sale financial assets
33. Both A and B D. None of the above
34. Short term assets dealt in……..
35. Stock market B. Capital market C. Money market D. None of the above
36. Who can borrow from the Call money market?
37. LIC and UTI B. Only Commercial banks C. Government D. None of the above.
38. Treasury bills are the liability of………..
39. Commercial banks B. Government C. Central bank D. Financial intermediaries
40. Commercial bills are for……….
41. Short term B. Long term C. Both A and B D. Anyone of A and B
42. Stock market deals in……..
43. Short term securities B. Long term securities C. Both A and B D. Any of A and B
44. Which of the following committee is associated to banking sector reforms of India?
45. Nayak Committee B. Narasimham Committee C. Rangarajan Committee
46. None of the above
47. Which of the following is not a policy of banking sector reforms of India?
48. Licensing of private banks B. Functional autonomy to public sector institutions

C. Increasing reserve ratios of the commercial banks D. None of the above.

Name:

Roll no.